

Sunburst Electronics

TERMS OF SALE AND CONDITIONS

420 E. Bayfront Highway
Erie, PA 16507-1456
814.456.9120 Fax 814.480.8203

The following terms and conditions shall govern the sale of all goods between Sunburst Electronics and Buyer. All contractual obligations by Sunburst Electronics are expressly limited to the terms contained herein. The inclusion of any different or additional terms in any other instrument is objected to, and performance by Sunburst shall occur with the express understanding that only the terms and conditions recited herein shall control.

1. Terms of Payment

All quotes are subject to final credit approval at the sole discretion of Sunburst. Unless otherwise agreed in writing, payment terms shall be net thirty (30) days from invoice date. Any amount unpaid thirty days after invoice date is subject to a monthly service charge on the unpaid balance. Buyer shall not be entitled to offset any sum owed it by Sunburst against any Sunburst invoice. Buyer also agrees to pay any expense incurred in collecting any unpaid balance of the purchase price, or in recovering possession of goods including reasonable attorney's fees.

3. Taxes/Duty/Import Licenses

Unless otherwise agreed in writing, all taxes shall be the sole responsibility of the buyer.

4. Transportation/Title

All product shall be shipped pre-paid with charges to the buyer on a nationally recognized carrier. Terms of all shipments shall be F.O.B Sunburst with titles passing upon shipment. Title and risk of loss shall pass to the Buyer upon shipment at Sunburst dock.

5. Packaging

Sunburst shall package all products in accordance with good commercial practice. Any requests for special packaging shall be performed at Buyer's expense. Buyer hereby agrees to hold Sunburst harmless for any damages caused in transit due to Sunburst's compliance with Buyer's special instructions.

6. Delivery Schedules

Sunburst will make a reasonable effort to meet all proposed delivery schedules. Sunburst will inform Buyer of any material deviations from the proposed delivery schedule. However, under no circumstances shall Sunburst have any liability whatsoever for delays, loss of use, or for any indirect or consequential damages arising from any delay or loss of use.

7. Rescheduling

Buyer request to reschedule delivery shall be effective only with the written acceptance of Sunburst. Buyer requests for rescheduling deliveries shall be in accordance with the following schedule:

Any orders within 30 days of promised or scheduled delivery can not be rescheduled.

Only 1 reschedule per order is permitted and can not exceed the promised lead time of the components.

8. Order Cancellation/Termination

Sunburst will allow cancellation/termination of orders upon written acceptance by Sunburst. Buyer shall pay all material, labor, overhead, and tooling incurred by Sunburst at the time of the cancellation/termination as well as any non-cancelable commitments for material or service

made by Sunburst to third parties with respect to the order.

9. Warranty

Sunburst warrants that products sold by Sunburst shall be free of defects in workmanship for a period of 1 year from date of shipment. Sunburst shall not be liable for improper use, installation, accidents, operation or maintenance of items manufactured by Sunburst, nor for any damage resulting therefrom, or from negligence on the part of Buyer's employees or agents. Also, Sunburst shall not be responsible for any consequential or incidental damages occasioned by failure of any item supplied by Sunburst, or by failure of any item in which a component manufactured or supplied by Sunburst is incorporated.

THE FOREGOING WARRANTY IS EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES, WHETHER WRITTEN, ORAL, OR IMPLIED. NO WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE SHALL APPLY.

10. Warranty Claim Process

Buyer shall obtain authorization from Sunburst to return the subject product to Sunburst (freight prepaid) prior to initiating any warranty claim. All warranty claims shall be in writing and must contain a full description of the defect and the product involved.

Upon approval of a warranty claim, Sunburst reserves the right, at its sole discretion, to resolve the warranty claim by (a) repairing the returned product; (b) replacing the returned product with additional product; or (c) crediting the Buyer for the value of the product.

11. Limitation of Liability

In the event of any breach of the warranties or terms set forth herein, Buyer's remedies set forth elsewhere are the sole and exclusive remedy of the Buyer. In no event shall Sunburst's liability for direct, incidental, consequential, or any other damages exceed the original purchase price of the product.

12. Severability

If any provision of this Agreement is determined by a court to be invalid or unenforceable, such determination shall not affect any other provision hereof, each of which shall be construed and enforced as if the invalid or unenforceable portion were not contained herein. Such invalidity or unenforceability shall not affect any valid and enforceable application thereof, and each such provision shall be deemed to be effective, operative, and entered into in the manner and to the full extent permitted by applicable law.

13. Force Majeure

Sunburst shall have no liability to Buyer or Buyer's customers or end-users, and shall have the right to suspend shipments hereunder in the event of war, riot, flood, acts of God, fire, court order, strike, work stoppage, act of governmental authority, shortages, or allocations of materials or component parts, or other causes beyond Sunburst's control

14. Entire Agreement/Amendment

The contract evidenced by this acknowledgement constitutes the entire agreement between Sunburst

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and Buyer and may not be modified except in writing signed by the authorized representatives of both parties. Sunburst shall be obligated to perform only in accordance with the terms of this acknowledgment, and any terms and conditions proposed in Buyer's request for quote, purchase order, acceptance, acknowledgement, transmittal or elsewhere which are different from, conflict with, or add to the provisions of this contract shall be deemed to materially alter them and are hereby objected to and rejected by Sunburst. Buyer is hereby notified that Sunburst has commenced performance under this contract and intends to delivery or ship the product identified herein to Buyer.

15. Applicable Law

This agreement shall be governed by the laws of the Commonwealth of Pennsylvania. Sunburst and Buyer hereby to consent to venue in either the Erie County Court of Common Pleas or the United States District Court for the Western District of Pennsylvania.