

**TECHNOS, INC.**  
**TERMS AND CONDITIONS OF SALE**

**ENTIRE AGREEMENT:** Technos, Inc. (Technos Corporation Fan Services) Quotation(s) constitute the entire agreement between Technos, Inc. and Purchaser except as noted herein as the Terms and Conditions of Sale. Authorization by Purchaser, whether it be verbal or in writing to furnish goods and/or services hereunder constitutes acceptance of these terms and conditions. Any additional, different, or conflicting terms shall not become a part of this agreement unless expressly agreed to by an authorized employee of Technos, Inc. in writing. The headings in the agreement are for convenience of reference only and shall not affect its interpretation or construction. Any errors incorporated in or appearing on all said documents are subject to correction by Technos, Inc.

**GOVERNING LAW:** The laws of the State of Texas shall govern the validity, interpretation, construction and effect of this agreement.

**QUOTATIONS:** Freight is not included on quotation unless otherwise noted. All quotations are firm for 10 working days unless otherwise noted.

**CHANGES:** Purchase orders received and acknowledged by Technos, Inc. may be changed in quantity or scope of work if change is made prior to start of fabrication or service. Charges for these changes would be assessed relative to the expenses involved and/or as per Technos, Inc. current labor rates. Changes during or after fabrication or service will result in charges deemed appropriate by Technos, Inc. to recover the cost of material and labor expended that cannot be utilized because of the change. When shipment of an order or service is delayed at Purchaser's request after material or equipment has been ordered or fabrication or service has begun, partial payment may be required at Technos, Inc. option in an amount based on the purchase price, the percentage of work completed or incurred expenses at the time the delay was requested.

**RISK OF LOSS, INSPECTION AND DAMAGE:** Goods are shipped FOB shipping point. The title and risk of loss passes to the Purchaser upon delivery of the goods to the carrier. All claims for loss or damage to goods in transit must be filed with the carrier by the Purchaser. Furthermore, Purchaser agrees to inspect the goods shipped upon receipt thereof, and to immediately report any damage or shortage to Technos, Inc. and to the carrier.

**PAYMENT TERMS:** Payment terms are 100% Net 30 days from the invoice date in U.S. dollars, unless otherwise agreed between Technos, Inc. and Purchaser in writing (subject to credit approval). Technos, Inc., at its option, reserves the right to withdraw credit, or change the terms thereof at any time. Payment shall not be contingent under any circumstances upon Purchaser's ability to collect on amounts due from Purchaser's customers and/or debtors. All payments are due and payable to Technos, Inc., 7016 FM 3009, Schertz, Comal County, Texas, 78154. Purchaser shall pay a late charge on all past due amounts at the rate of 1½ per cent per month or the highest rate permitted under applicable law and shall in addition pay Technos, Inc. all costs and reasonable attorneys fees incurred in collecting past due amounts. Reasonable doubt on the part of Technos, Inc. concerning the financial responsibility of Purchaser shall entitle Technos, Inc. to stop operation, decline shipment, or stop any material in transit without liability, until the materials have been paid for or until Technos, Inc. is furnished satisfactory proof of Purchaser's financial responsibility.

**FORCE MAJEURE:** Technos, Inc. will not be liable for any loss or damage for its failure to ship or any delay in performance of any order in accordance with the terms of the order where such delay or failure is due, in whole or in part, to causes by any requirement of a governmental agency or authority or actions of such agencies or authorities, shortage of raw material, transportation, strikes or other labor trouble, civil commotion, sabotage, fire, flood, explosion, riots, wars, acts of God or other causes beyond the control of Technos, Inc. whether or not of the kind specifically enumerated above. Under any such circumstances, Technos, Inc. shall have the additional time needed to complete the order and the right to allocate its available supply, in the manner it selects, to itself and among any or all customers.

**DELIVERY DATES:** All dates of deliveries are contingent upon strikes, accidents, shortage of materials, delays of carriers, or causes which are unavoidable or beyond the control of Technos, Inc. Technos, Inc. will use reasonable efforts to meet delivery and shipping dates as requested by Purchaser on purchase order, but such dates constitute good faith estimates only, and Technos, Inc. will not be responsible for failure to meet any specific date, so long as it acts in good faith. Purchaser will be notified without delay of any changes to delivery date(s) specified on Purchaser's purchase order.

**CANCELLATIONS:** All purchase orders are for firm delivery and are not subject to change or cancellation without approval from Technos, Inc. In the event a cancellation or change is approved, Purchaser agrees to pay reasonable cancellation charges to include labor and/or materials or any price increase applicable to such change.

**RETURN OF PRODUCT:** Technos, Inc. products are fabricated to a Purchaser's specific purchase order. Technos, Inc. does not maintain a stock of products. Therefore, return of product for credit cannot be allowed. No product is to be returned for any reason without prior written authorization from Technos, Inc. within the terms of our warranty.

**PRODUCT LIABILITY:** Purchaser acknowledges that Technos, Inc. has no control over and is not responsible for the manner in which the product will be used or otherwise dealt with by the Purchaser. The Purchaser therefore agrees to assume all responsibility for any and all sums which the Purchaser may become obligated to pay caused by or resulting directly or indirectly from the operation of product or for the failure of the product to comply with any safety laws or other regulations.

**LIMITATION ON DAMAGES:** The Purchaser agrees that its sole and exclusive remedy, and the limit of Technos, Inc. liability for loss from any cause whatsoever, including warranty, shall be the purchase price of the goods sold hereunder for which a claim is made. Technos, Inc. in no event shall be liable for any incidental, consequential, special or punitive damages, or for loss of use or lost profits or anticipated lost profits.

**TAXES:** Federal, state or local taxes are not included in Technos, Inc. prices, and will be added to the purchase price, where applicable. In such event, Purchaser agrees to pay said taxes or furnish evidence of exemption. An amount equal to any tax or other governmental charge upon the production, sale, occupation of selling, shipment or use of material which is now or may be hereafter imposed by Federal, State, Municipal, or any other governmental authorities upon either the Purchaser or Technos, Inc. which Technos, Inc. is obliged to pay or collect shall be paid by the Purchaser upon receipt of notice by Technos, Inc.

**SEVERABILITY:** If any provision of these terms and conditions of sale shall be deemed illegal or unenforceable, such illegality or unenforceability shall not affect the validity and enforceability of any other provisions hereof, which together shall be construed as if such illegal or unenforceable provisions had not been included herein.

**MEDIATION:** The parties agree that any and all disputes, claims or controversies arising out of or relating to this Agreement shall first be for mediation. The parties covenant that they will participate in the mediation in good faith.

**SAFETY ACCESSORIES:** Purchaser understands that Technos, Inc. manufactures goods that may or may not require safety devices, depending on the use and location of the goods. Purchaser warrants to Technos, Inc. that Purchaser has determined what safety devices, including warning devices and notices of danger, should be placed on the goods sold hereunder, and has either purchased these with the goods sold hereunder or from another source.

**LIMITED NEW PRODUCT WARRANTY:** Products or equipment of new manufacture by Technos, Inc. are warranted to be free from defects in material and workmanship for a period of 12 months after the Purchaser commissions the product or equipment, but in no instance shall the period of warranty be longer than 18 months from the date of original shipment by Technos, Inc. Products or equipment must be installed, operated and maintained in a manner consistent with the submitted specifications. The products or equipment offered by Technos, Inc. are designed to specific design and operating parameters. Should the products or equipment be subjected to operational parameters outside of Technos, Inc. stated ranges, the warranty will be void. Technos, Inc. shall have no responsibility for the operation or performance neither of any products or equipment in which the product or equipment has been used outside of stated ranges, nor for any damage to products or equipment from abuse, misapplication, unauthorized repairs, abrasion, erosion, corrosion, or the like due to abnormal temperatures, or the influence of foreign matter. Technos, Inc. is not liable for loss of time, cost of labor expended, or for any separate, special, direct, consequential, or incidental damages, including without limitation, consequential damages resulting from rejection of finished parts. Technos, Inc. shall not be liable for any cost or expense, including, without limitation, labor expenses in connection with removal or replacement of alleged defective product or equipment or any part or portion thereof, nor for incidental or consequential damages of any kind or under any circumstance for any damage beyond the price of goods sold. Technos, Inc. makes no other warranties, expressed or implied, written or oral, including, but not limited to, warranties of merchantability or fitness for any particular purpose. This warranty is expressly in lieu of all other warranties, and of all other obligations or liabilities on the part of Technos, Inc. This warranty is limited to the replacing and/or repairing by Technos, Inc. of any products or equipment which has been returned to Technos, Inc. with Technos, Inc. written authorization and which in the opinion of Technos, Inc. are defective. Technos, Inc. shall have the sole right to determine whether defective products or equipment shall be repaired or replaced. This warranty does not cover any Purchaser labor charges for replacement of parts, adjustments or repairs, or any other work unless such charges shall be assumed or authorized in advance, in writing, by Technos, Inc. Products, equipment or parts not manufactured by Technos, Inc. but installed by Technos, Inc. or included in products or equipment sold to the Purchaser shall carry the original manufacturer's warranty only. All transportation charges and any and all sales and use taxes, duties, imports or excises for such products, equipment or parts, shall be paid for by the Purchaser. This warranty does not cover abrasion, erosion and wear, nor does it cover any product which, in the judgment of Technos, Inc., has been subject to misuse or neglect, or which has been repaired or altered outside Technos, Inc. facilities or service in any way which may have impaired its safety, operation or efficiency, or any product which has been subject to accident. This warranty shall be null and void if any product, equipment or part not manufactured or supplied by Technos, Inc. for use in any of its products or equipment shall have been substituted and used in place of a part manufactured or supplied by Technos, Inc. for such use.

**LIMITED REPAIR PRODUCT WARRANTY:** Purchaser's products or equipment authorized by Purchaser to be repaired by Technos, Inc. are warranted to be free from defects in materials used to accomplish repairs and the workmanship employed in said repairs for a period of 30 days after shipment from Technos, Inc. All other warranty terms included in the Technos, Inc. Limited New Product Warranty statement are applicable to repair of products or equipment.