

ACCEPTANCE OF THIS ORDER, OR ANY ORDER, CONSTITUTES AN AGREEMENT TO THE FOLLOWING CONDITIONS:

To:

We, the buyer or purchaser, are Accumulators, Inc. You, the seller, supplier or vendor are the addressee.

Trading Regulations

- (1) We will not be responsible for any goods delivered unless authorized by a written order.
- (2) This order is not valid unless approved by the Purchasing Agent and properly signed. An email from the Purchasing Agent's accumulators.com email address will be regarded the same as a proper signature.
- (3) The Seller will send a separate invoice for each and every shipment, unless otherwise arranged with buyer's purchasing department.
- (4) Seller will not address invoices to individual employees; invoices must be addressed to Accumulators, Inc.
- (5) No invoices will be honored without the Purchase Order number, unless otherwise arranged with buyer's purchasing department.
- (6) All items must be priced separately, or the invoice may be returned.

Quality

- (7) The seller warrants that the goods are of new manufacture and will conform to descriptions and specifications provided by the buyer, and will be free from all defects due to design (other than buyer's design). Seller also warrants that the goods are of merchantable quality, and are fit for their intended purpose. Buyer shall have the right to inspect and test any goods before acceptance and the buyer may, at the buyer's sole discretion, reject individual units or entire shipments for any reason, including but not limited to, product defect, lateness of shipment, or disagreement over price or payment terms. Upon request of buyer, the seller at its sole expense, shall repair or replace, all or any part of machinery, equipment or other goods covered by this order which, within one year from the date it is placed in operation, but no later than 18 months from the date of shipment, that is defective in material and workmanship. All freight charges will be at seller's expense.

Quantity

- (8) Unless otherwise arranged with buyer's purchasing department in writing, goods shipped in excess of quantity designated in an order may be rejected by buyer, at buyer's sole discretion.

Time of Delivery

- (9) The buyer's production schedules are based on the agreement that materials will be delivered to it by the date specified on the purchase order. Time is therefore of the essence. If deliveries are not made at the time agreed upon, the buyer reserves the right to cancel or to purchase elsewhere, and hold the seller for any resultant losses or additional costs resulting from the lateness of shipment.

Transportation Costs

- (10) Seller must adhere to buyer's preferred shipping method as indicated on the signed purchase order or alternately by a written mutual agreement that supersedes buyer's purchase order. Failure to adhere to buyer's indicated shipping method may result in non-payment of invoiced transportation costs or rejection of the shipment entirely. Where transportation charges are expressly allowed or are separately charged to buyer by seller per written agreement, such charges shall in no event exceed amount billed by the freight carrier to Seller. No freight handling charge or other surcharge added by Seller will be allowed. Seller will supply copies of all original freight invoices marked "Paid" upon request by buyer.

Terms of Payment

- (11) It shall be understood that the cash discount period to buyer, and any net due date, will date from the receipt of the invoice or buyer's acceptance of the goods at buyer's facility; whichever is the later. On invoices returned for correction, the cash discount period will date from the receipt of goods or buyer's acceptance of the corrected invoices; whichever is later.
- (12) Orders must not be invoiced at prices higher than indicated on buyer's official purchase order without written authority.
- (13) If prices are omitted on the purchase order, except where the order is given in acceptance of quoted prices, it is agreed that the seller's price will be the lowest prevailing market price and in no event is this order to be filled at higher prices than last previously quoted or charged without purchaser's written consent.

Rejection of Shipment

- (14) In the event a shipment has been rejected, in whole or in part, after delivery, the seller is responsible for all freight charges to recover the rejected shipment. Seller's failure to retrieve a rejected shipment within 30 calendar days after notification of rejection may incur a storage cost not to exceed \$1.25 per cubic foot of required storage space per calendar day after the initial 30 day period.
- (15) Seller's failure to retrieve a rejected shipment within 120 calendar days after notification of rejection shall forfeit all rights to the property. Buyer will consider such property to be abandoned and may claim

ownership over the property. This abandonment of property shall neither replace nor reduce any incurred costs including, but not limited to, storage, disposal, repair or cleanup costs.

Violations of Law

- (16) Seller warrants that no federal or state statute or regulation or municipal ordinance has been or will be violated in the manufacturing, sale, and delivery of any article or service sold and delivered hereunder, and if such violation has or does occur, seller will indemnify and hold harmless purchaser from all losses and penalties.

Patents

- (17) For seller designed products, the seller shall indemnify the buyer from and against any and all claims arising from infringement or alleged infringement of any patent of the United States by any of the goods delivered hereunder, and seller shall defend or settle at its own expense any suit or proceeding brought against buyer for such infringement provided that seller is notified in writing of the commencement of such suit or proceeding.

Liability for Injuries Resulting from Defective Products

- (18) In the event any goods sold and delivered hereto shall be defective in any respect, except for defects in buyer's design, seller agrees to indemnify and hold harmless the purchaser for all loss, or the payment of all sums of money, arising from any accident, injury or damages to persons or property that may happen or occur by reason of such goods. This indemnity shall survive delivery of the goods and performances of service hereunder. It is intended that these goods will be purchased and installed by third parties on third party equipment. Neither buyer nor seller has any authority over or knowledge of third party actions and do not warrant fitness for purpose.

Other Conditions

- (19) The terms and conditions of sale as stated hereunder govern in event of conflict with any terms of seller's proposal, and are not subject to change by reason of any written or verbal statements by seller, unless the same shall be accepted in writing by buyer.
- (20) Buyer may at any time insist upon strict compliance with the above terms and conditions, notwithstanding any previous custom or practice to the contrary.
- (21) The enumeration herein of certain rights does not exclude the purchaser from asserting any other rights which may be given by law.
- (22) The parties to this contract hereby agree that it is a Texas Contract and shall be construed and enforced under the laws of the State of Texas.