

Terms and Conditions of Sale for Arnold Magnetic Technologies Corporation ("Seller") – 12/06/2021

1. Entire Agreement. These Terms and Conditions of Sale (which include any document(s) attached hereto or referencing these Terms and Conditions of Sale) (the "terms") constitute the entire, complete, and exclusive agreement between the parties with respect to goods and/or services (a "deliverable" or the "deliverables") provided by Buyer to Seller as specified in these terms. **If these terms are different from, or contain terms and conditions in addition to, Buyer's purchase order or any other document provided by Buyer (including any modifications thereto) Seller expressly rejects such different or additional terms in Buyer's document, and Seller's provision of the deliverables is expressly conditioned upon Buyer's assent to these terms. Notwithstanding any other acts or omissions of the parties, Buyer's placing of an order based on our quotes or acceptance of a deliverable constitutes Buyer's assent to all of these terms exclusively.**
2. Acceptance/Delivery. No order or other request for deliverables will be binding upon Seller unless accepted in writing by Seller. Delivery is Ex Works Seller's facility or as otherwise set forth in Seller's quote. Buyer assumes full responsibility for deliverables upon Seller making deliverables available to Buyer at Seller's facility, including proper arrangement and security for transport. Any dates quoted for delivery are approximate only. In the event of inability for any reason to supply the total demand for deliverables, Seller may allocate its available supply among any or all purchasers, as well as departments and divisions of the Seller, on such basis as it may deem fair and practical, without liability for any failure of performance which may result therefrom.
3. Price. The price for deliverables is specified in these terms. The price is exclusive of taxes and shipping related costs and is payable only in U.S. currency or other currency as set forth in Seller's quote. Price, delivery terms, availability of deliverables and descriptions and specifications of deliverables is subject to change without notice. Without limiting the Seller's rights under the preceding sentence, Seller shall have the right to increase prices immediately to account for increases in raw material prices or in tariffs. Buyer shall reimburse Seller for all taxes, shipping related costs or other charges which Seller may be required to pay upon the sale, transportation or use of the deliverables. The opening and maintenance of a credit account with Seller is subject to Buyer providing satisfactory references and observing all of the terms on which credit is given. Seller reserves the right to refuse to extend credit at any time and for any reason.
4. Payment. At Seller's option the price and any applicable taxes, shipping related costs or other charges is due and payable on or before delivery, or if invoiced by Seller, payable upon receipt of invoice; net thirty (30) days or as otherwise set forth in Seller's quote. If Buyer fails to make payment when due, in addition to Seller's other rights and remedies, Buyer shall (i) pay Seller a late charge equal to the lesser of 1.5%, per month and/or part of a month on the remaining unpaid balance due Seller or the highest lawful amount which may be charged to Buyer; and (ii) pay all expenses of collection of amounts due Seller from Buyer, including reasonable attorneys' fees. Buyer shall not be entitled to make any deductions or set off of any amounts (including those for alleged damages) against payments due to Seller hereunder.
5. Security Interest. Buyer grants Seller a purchase money security interest in all deliverables, including the proceeds, and products thereof, additions and accessions thereto and replacements and substitutions therefor, with all rights and remedies of a secured party in any jurisdiction. Buyer authorizes Seller to file financing statements, or such other documents, appropriate to protect Seller's security interest, without Buyer's signature. If Buyer has granted a third party a blanket security interest in the type of collateral of which a deliverable would be characterized under the Uniform Commercial Code or applicable law, Buyer shall notify Seller of such fact in writing prior to shipment of deliverables.
6. Inspection. Promptly upon delivery, but no later than five (5) days after delivery, Buyer shall (i) examine and inspect all deliverables; and (ii) notify Seller of any defect in material or workmanship or any other fact that causes the deliverables not to conform to the agreement between Buyer and Seller. Failure to so inspect and inform Seller of a defect within the foregoing time period, or the use of a deliverable by Buyer at any time, shall be conclusive evidence that Seller has satisfactorily tendered delivery and that Buyer has inspected and accepted the deliverables. Buyer agrees that the foregoing time period provides Buyer with a reasonable time to inspect deliverables. Should Buyer properly notify Seller of any defects in deliverables, in addition to any obligations Buyer may have to Seller, Buyer shall re-pack the deliverable into its original packaging and store that deliverable indoors and in a dry and temperature regulated facility pending instructions from Seller. Shipping damage shall be addressed by the Buyer directly with their shipping agent and is not the responsibility of the Seller.
7. Force Majeure. Seller is not responsible for any delay or failure to perform due to any cause beyond its control. If shipments are delayed at Buyer's request, due to Buyer's acts or omissions, or due to circumstances that are not within Seller's control, payment shall be made by Buyer within seven (7) days after Buyer has been notified by Seller that a deliverable is ready for shipment. If shipment is delayed, in addition to any other remedy available to Seller, the deliverable may be stored by Seller at Buyer's risk and expense.
8. Returns/Cancellation. No deliverable may be returned unless Seller agrees in writing and such deliverable is in its undamaged original packaging and with all its original parts and (ii) has not been used, installed, modified, rebuilt, reconditioned, repaired, altered or damaged. If Seller agrees to accept a return a RMA will be issued with instructions for return of the

deliverable to Seller. Orders accepted by Seller can only be cancelled with the written consent of Seller, such consent to be in the Seller's absolute discretion and then only upon payment of a reasonable cancellation charge.

9. **Buyer Responsibilities.** Buyer is responsible for obtaining any and all permits, licenses or other documents necessary for shipment or receipt or use of deliverables and providing Seller written evidence thereof in advance of shipment.

10. **Technical Advice.** Upon request, Seller may furnish such technical advice or assistance as it has available in reference to the use of deliverables. It is expressly understood, however, that all such technical advice or assistance is given **AS-IS** and the Seller assumes no obligation or liability for the advice or assistance given or results obtained, all such advice or assistance being given and accepted at Buyer's risk.

11. **Limited Warranty.** Seller warrants to Buyer that deliverables will be free from defects in material and workmanship when the deliverables leave Seller's facility. This warranty is not transferable or assignable and any such transfer or assignment is void. This warranty does not apply unless Seller is permitted to inspect the damaged deliverable. Change or extensions to the terms of the above warranty are binding only if confirmed in writing by Seller's duly authorized executive officer. Other than as set forth in the preceding sentence, no person has authority to change or extend the terms of the above warranty and Buyer confirms that no other warranty terms have been extended by Seller or are applicable to the deliverables.

12. **Limitation on Warranties/Damages.** Any claim under the Limited Warranty set forth in section 11 must be made within a period of six (6) months from the date of purchase by Buyer, or such claim is waived. **Except as set forth in these terms, Seller makes no representation or warranty of any type, express or implied, including any warranty of merchantability, warranty of fitness for a particular purpose or warranty of non-infringement or warranty arising from any course of dealing, course of performance or usage of trade. Seller will not under any circumstances, be liable for any special, indirect, punitive or consequential damages (even if Seller has been notified of the possibility of such damages) resulting from or related to a product including, without limitation, any loss of profits, or loss of opportunity.**

Some jurisdictions do not allow limitations on warranties or damages, so this limitation or exclusion may not apply to Buyer.

13. **Remedy.** Seller's sole obligation and Buyer's exclusive remedy with respect to any deliverable, whether arising in contract, tort (including negligence), strict liability, breach of warranty or otherwise, is limited to Seller, at its discretion, replacing or repairing the defective deliverable, or issuing Buyer a credit equal to the price paid to Seller for such defective deliverable, and in no event will Seller's liability exceed the amounts actually received by Seller for any deliverable.

This exclusive remedy shall not be deemed to have failed its essential purpose so long as Seller is willing and able to repair or replace a defective deliverable or, also at Seller's option, to refund the price received by Seller for the defective deliverable, within a reasonable time after Buyer demonstrates that a defect exists.

14. **Intellectual Property.** Seller is not transferring to Buyer any patent, copyright, trademark or other intellectual property rights in or related to any deliverable.

15. **Limitation of Actions.** Any action against Seller arising out of a deliverable shall be commenced within one (1) year from the date such cause of action has accrued, otherwise the same shall be barred.

16. **Governing Law.** These terms shall be governed by and construed in accordance with the laws of the State of New York, without regard to its principles of conflicts of laws, and shall not be governed by the provisions of the United Nations Convention on Contracts for International Sales of Goods. The parties agree that all actions or proceedings between them shall be tried and litigated only in the state and federal courts located in the County of Monroe, New York.

17. **Termination.** Seller may immediately terminate any order for deliverables, and have no obligation to supply deliverables, upon the bankruptcy or insolvency of Buyer or Buyer's breach of these terms. Buyer will pay the price for any deliverables delivered on or before the date of termination. Seller is not liable for any other costs, expenses, losses, damages or liabilities arising out of such termination. Termination or cancellation will not alter or terminate any of the parties' obligations under any section of the terms that by its nature extends beyond termination or cancellation.

18. **Assignment/Subcontract.** Buyer may not delegate or assign any duties or rights under these terms without Seller's prior written consent which may be withheld for any or no reason. Any such delegation or assignment in violation of this section is void.

19. **Severability/Revision.** Should any provision of these terms be held by a court of law, or other body having proper jurisdiction to be illegal, invalid or unenforceable, the legality, validity and enforceability of the remaining provisions of these

terms shall not be affected or impaired thereby and the parties agree that partial enforcement of these terms or revisions of the illegal, invalid or unenforceable provision is appropriate.

20. Entire Agreement. These terms constitute the entire agreement between the parties as to the subject matter thereof, and may be modified, or any right waived, only by a written document signed by the party to be charged that specifically references these terms and the section(s) so modified.