

Terms and Conditions of Sale

- **1. GOVERNANCE OF TERMS.** The Terms and Conditions of Sale contained herein ("Terms") shall govern all orders for and purchases of products and/or services (jointly and severally the "Products") by the buyer ("Buyer") from Alpaqua Engineering, LLC ("Alpaqua"). Any changes to the Terms shall have no effect unless they (a) are set forth in writing and (b) are signed by an authorized representative of Alpaqua.
- 2. PRICES AND TERMS. The price for any PRODUCT shall be the lesser of the price stated on Alpaqua's website at www.alpaqua.com, or, if applicable, the price stated on a valid and current quotation issued to Buyer (collectively the "Quotation"). Prices stated are exclusive of all taxes, fees, licenses, duties, or levies ("Taxes") and, unless otherwise stated on the Quotation, transportation charges, freight and insurance are also not included in the price for the Product. All Taxes related to Product shall be paid by Buyer (other than taxes assigned against Alpaqua's net income) or in lieu thereof, Buyer shall provide a tax exemption certificate acceptable to the relevant taxing authorities. Taxes and other charges payable by Buyer may be billed as separate items on Alpaqua's invoice. The Quotation is valid only for (a) the limited period of time set forth on the Quotation or, (b) if no such period is set forth, it is valid for 30 days from the date of transmittal of the Quotation to Buyer. Any Buyer communication dated after the foregoing period purporting to accept the Terms will be considered as an offer by Buyer to purchase the Products which offer is subject to acceptance by Alpaqua at its home office. Alpaqua reserves the right to reject any such offer. Notwithstanding anything in the Quotation to the contrary, Alpaqua also reserves the right to withdraw the Quotation at any time prior to receipt by Alpaqua of Buyer's full and unrestricted acceptance of all of the Terms.
- 3. PAYMENT TERM; COLLECTION COSTS; SECURITY TERMS. Payment terms are net 30 days from the later in time of (a) the date of Alpaqua's invoice to Buyer, or (b) receipt by Buyer of the Products referenced on such invoice. Credit card payments are accepted for pre-payment only at the time of purchase, at net terms. There are no allowances or deductions permitted from the invoiced price for early payment and none shall be taken. If Alpaqua deems Buyer to have become uncreditworthy, Alpaqua reserves the right to require alternative payment terms, including without limitation sight draft, letter of credit, or payment in advance. Payment for partial shipments shall be based on unit or prorated prices. If payment is not received by the due date, Alpaqua may assess and Buyer agrees to pay a late payment charge at the rate of 1% per month (12% per year) or the maximum legal rate, whichever is less, of the amount due. Buyer also agrees to and will pay, all costs of collection incurred by Alpaqua including, without limitation, reasonable attorney fees and expenses
- **4. CREDIT TERMS.** Alpaqua may at any time and at its sole discretion by written notice to Buyer limit or cancel the credit of Buyer as to time and amount, suspend shipments, demand payment in cash before delivery of Product, and demand assurances of Buyer's performance. If within 30 days of such notice Buyer fails to agree and comply with the terms of payment demanded by Alpaqua in such notice, or fails to give adequate assurances of performance, Alpaqua may, without prejudice to any other right or remedy Alpaqua may have: (1) by notice to Buyer, treat such failure or refusal as a repudiation by Buyer of that portion of Buyer's order not then fully performed, whereupon Alpaqua may cancel all further deliveries, and any amounts unpaid for non-cancelled Product shall immediately become due and payable; or (2) make shipments under reservation of a security interest and demand payment against tender of title documents.
- 5. DELIVERY; TITLE AND RISK OF LOSS. Alpaqua will use reasonable commercial efforts to ship Product within a reasonable time after the Buyer's order has been received by Alpaqua, or, if a proposed shipment date is indicated in the Quotation on or before such date. Alpaqua may make delivery in installments, and each installment shall be deemed to be a separate sale. Alpaqua may render a separate invoice for each installment, which invoice shall be paid in accordance with these Terms without regard to prior or subsequent installments. All Products are sold Ex Works, FOB Alpaqua's loading dock and, title to and risk of loss with respect to all Products shall pass from Alpaqua to Buyer upon delivery to the common carrier selected by Alpaqua.
- **6. CANCELLATION AND DEFERRAL.** A BUYER PURCHASE ORDER IS NOT SUBJECT TO CANCELLATION BY BUYER. However, unless otherwise stated in the Quotation, Buyer may defer the shipment date one time for up to 60 days by giving written notice to Alpaqua at least 30 days before the scheduled shipment date.
- **7. CLAIMS FOR DEFECTIVE PRODUCTS; RETURN GOODS AUTHORIZATION.** Any claims for missing or defective Product must be reported to Alpaqua in writing by Buyer within 15 days from the date of the receipt of the Product. No Products shall be returned to Alpaqua without a return authorization number obtained from Alpaqua. Alpaqua may condition any return of non-defective Product on a restocking charge. All returned Products shall be shipped, freight prepaid by Buyer. Alpaqua may refuse any Product not timely rejected or sought to be returned without a return authorization number.



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- 8. LIMITED WARRANTY. For Products manufactured by Alpagua Alpagua warrants the Product against defects in materials and workmanship for a period of twelve (12) months from the date of shipment by Alpagua. Alpagua's sole obligation and Buyer's exclusive remedy under the foregoing warranty is, at the option of Alpaqua, to repair or replace any Product not in conformance therewith or to refund the purchase price paid therefore. Notwithstanding the foregoing, Alpaqua SHALL NOT BE OBLIGATED UNDER THIS WARRANTY IF THE NEED FOR REPLACEMENTS DIRECTLY OR INDIRECTLY RESULTS FROM THE FAILURE OF Buyer to use the Product in the manner specified in the labeling therefore. OTHER THAN THE WARRANTY OF TITLE, THERE ARE NO OTHER WARRANTIES UNDER THIS AGREEMENT RELATIVE TO THE PRODUCTS, EITHER EXPRESS OR IMPLIED, AND NONE SHALL BE CREATED, WHETHER UNDER THE UNIFORM COMMERCIAL CODE (OR LAWS OF SIMILAR IMPORT IN JURISDICTIONS OUTSIDE THE UNITED STATES) OR THE COURSE OF DEALINGS BETWEEN THE PARTIES OR CUSTOM OR USEAGE IN THE INDUSTRY. ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE ARE EXPRESSLY DISCLAIMED (EVEN IF ALPAQUA HAS BEEN EXPRESSLY INFORMED OF SUCH PARTICULAR PURPOSE). IN NO EVENT SHALL ALPAQUA BE LIABLE TO BUYER OR ANYONE CLAIMING THROUGH BUYER, WHETHER IN CONTRACT, TORT, WARRANTY, OR UNDER ANY STATUTE OR ON ANY OTHER BASIS FOR SPECIAL. INCIDENTAL. INDIRECT. PUNATIVE. MULTIPLE. OR CONSEQUENTIAL DAMAGES SUSTAINED BY BUYER OR ANY OTHER PERSON OR ENTITY ARISING OUT OF ALPAQUA'S PERFORMANCE OR FAILURE TO PERFORM ITS OBLIGATIONS RELATING TO THE PURCHASE OF PRODUCTS OR PERFORMANCE OF SERVICES OR THE POSSESSION OR USE OF ANY PRODUCT, WHETHER OR NOT FORESEEABLE AND WHETHER OR NOT ALPAQUA IS ADVISED OF THE POSSIBILTY OF SUCH DAMAGES, INCLUDING WITHOUT LIMITATION DAMAGES ARISING FROM OR RELATED TO LOSS OF USE, LOSS OF DATA, DOWNTIME, OR FOR LOSS OF REVENUE, PROFITS, GOODWILL, OR BUSINESS OR OTHER FINANCIAL LOSS. Any description of Product recited in the Quotation or in any Alpaqua literature or publications is for the sole purpose of identifying Product, and any such description is not part of any contract between Alpaqua and Buyer and does not constitute a warranty that Product shall conform to that description. Any sample or model used in connection with the Quotation is for illustrative purposes only, and is not part of any contract between Alpaqua and Buyer, and does not constitute a warranty that Product will conform to the sample or model. No affirmation of fact or promise made by Alpaqua or its agents or representatives, whether or not in the Quotation shall constitute a warranty that Product will conform to such affirmation or promise. All recommendations, statements and technical data regarding Products are based on tests which Alpaqua believes to be reliable and correct. However, the accuracy and completeness of such tests and the results thereof are not guaranteed and are not to be construed as a warranty, either express or implied. Alpaqua assumes no obligation or liability for the advice given or the results obtained, all such advice being given and accepted at Buyer's sole risk.
- 9. FORCE MAJEURE. Alpaqua shall not be liable for any delay or failure of performance, in whole or in part, including without limitation failure to deliver or failure to install, where such delay or failure arises out of or results from any cause beyond Alpaqua's reasonable control, including, by way of example only and not limitation, flood, fire, explosion, weather, earthquake or other act of God, strike, riot, sabotage, terrorism, boycott, or other labor disputes, embargo, governmental law, rule or regulation, whether valid or invalid, national defense requirement, or an inability or delay in obtaining raw materials, labor or transportation under usual and customary terms or any similar or different contingency which would make performance commercially impractical. In the event of any such delay or failure of performance, Alpaqua shall have such additional time within which to perform its obligations hereunder as may be reasonably necessary under the circumstances; and Alpaqua shall also have the right, to the extent necessary in Alpaqua's reasonable judgment, to apportion Product then available for delivery fairly among its various customers, including those not then under contract, in such manner as Alpaqua may consider equitable.
- 10. ENTIRE AGREEMENT. The Terms in the Quotation and herein constitute the complete, exclusive, and entire agreement between Alpaqua and Buyer with respect to purchases of Product, and Alpaqua's offer to sell the Product is expressly limited to such Terms. Any representation, warranty, promise or condition which does not form part of the Terms shall not be binding on either party. The Terms supersede and replace all prior or contemporaneous understandings or agreements, written or oral, and any of Buyer's additional or different terms or conditions are hereby rejected and shall be void. Buyer's submission of a purchase order or other instrument regarding the purchase of Product in response to the Quotation or any other Alpaqua document that includes or incorporates these Terms shall be deemed acceptance of these Terms to the exclusion of any other terms and conditions appearing in or referenced in such purchase order or other instrument. Any terms in a Buyer purchase order, which differ from or modify the Terms, are hereby deemed to be material alterations and notice of objection is hereby given, notwithstanding anything contained to the contrary in such purchase order or other instrument or elsewhere.



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- **11. CHOICE OF LAW.** Any contract between Alpaqua and Buyer relating to Product, including these Terms, and any disputes relating thereto, shall be governed by and construed in accordance with the laws of the Commonwealth of Massachusetts, excluding both its choice of the law provisions and the UN convention on Contracts for the International Sale of Goods.
- **12. EXPORT CONTROLS.** Buyer agrees that it will not export or transfer Product for re-export in violation of any United States laws or regulations, or to any denied or prohibited person, entity, or embargoed country in violation of such laws or regulations.
- 13. MISCELLANEOUS. No subsequent waiver, alteration, modification or amendment of the Quotation or these Terms shall be binding unless in writing and signed by a duly authorized representative of both Alpaqua and Buyer. Alpaqua's failure to exercise any rights hereunder shall not constitute or be deemed a waiver or forfeiture of such rights or a waiver or forfeiture of such rights in the future. Headings are included herein for convenience of reference only and shall not constitute a part of these Terms. If any provision of these Terms shall be held invalid or unenforceable by a court of competent jurisdiction for any reason, such effected provision shall (a) be deemed severable and not affect any other provision of the Terms and (b) be promptly renegotiated by the parties with the intent of determining valid and enforceable language which most closely resembles that rejected by such court to thereby preserve the intent of the parties. The rights and duties of Buyer under this Agreement are not assignable or transferable without the express written permission of Alpaqua.