

STANDARD TERMS AND CONDITIONS OF SALE

ALL GOODS SOLD BY BAART INDUSTRIAL GROUP, LLC ("BAART"), ARE EXPRESSLY SUBJECT TO THE TERMS AND CONDITIONS SET FORTH BELOW. NO ADDITIONAL TERMS OR CONDITIONS SET FORTH IN A PURCHASE ORDER OR ANY OTHER SIMILAR COMMUNICATION SHALL BE BINDING UPON THE PARTIES, UNLESS AGREED TO IN WRITING BY THE PURCHASER AND AN OFFICER OF BAART. IN THE ABSENCE OF A WRITTEN ACCEPTANCE OF THESE TERMS AND CONDITIONS OF SALE BY PURCHASER, SHIPMENT OF ANY OF THE PRODUCTS COVERED BY THE ORDER SHALL CONSTITUTE AN ACCEPTANCE OF THESE TERMS AND CONDITIONS.

WARRANTIES: Goods are sold only with such warranties as may be extended by BAART. IT IS AGREED THAT THERE ARE NO OTHER WARRANTIES AND SPECIFICALLY NO IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. Buyer is responsible for installation and use in accordance with applicable instructions. No changes to the warranty policy are allowed unless set forth in writing and agreed to by both parties. See warranty policy at www.baartgroup.com.

LIMITATION OF LIABILITY: BAART's liability or any claim for loss or damage arising out of this contract or from performance or breach thereof, connected with the supplying of any goods or services hereunder, or the sale, resale, operation or use of such goods or services, whether based on contract, warranty, tort including negligence, or other grounds, shall not exceed the price allowable to such goods or services or part thereof involved in the claim. BAART shall not, under any circumstances, be liable for any labor charges without its prior written consent.

BAART SHALL NOT IN ANY EVENT BE LIABLE FOR INCIDENTAL, SPECIAL, OR CONSEQUENTIAL DAMAGES including, but not limited to, loss of profits or revenue, loss of use of the goods or any associated products, cost of capital, cost of substitute products, facilities or services, downtime costs, or claims of customers of the Buyer for such damages. The exclusion of liability for consequential damages shall apply regardless of whether the Buyer is making a claim as a result of breach of contract, warranty, tort (including negligence) or any other grounds or theories.

If BAART furnished Buyer with advice or other assistance concerning any goods supplied hereunder, which is not required under the terms of this contract, furnishing such advice or assistance shall not subject BAART to any liability based upon contract, warranty, tort, including negligence or other grounds. No merchandise sold by BAART is intended for use in flight critical aircraft applications.

PRICE: Prices for items on which BAART has submitted a WRITTEN quotation will be firm for the duration and terms stated on the quotation. Prices on all other items are subject to change without notice, and the price in effect at time of shipment shall prevail. The prices do not include any sales or similar taxes, and such taxes shall be billed as a separate item, and paid by Buyer. A LATE PAYMENT CHARGE OF 1½ PERCENT (ANNUAL PERCENTAGE RATE OF 18 PERCENT) SHALL BE CHARGED ON ALL PAST DUE ACCOUNTS. BUYER SHALL PAY ALL COSTS INCURRED IN THE COLLECTION OF ANY PAST DUE ACCOUNT, INCLUDING ALL COLLECTION AGENCY FEES, COURT COSTS, AND ATTORNEY FEES. An account is considered past due if it is not paid within the terms stated on the invoice. If the foregoing charges exceed the rate that may be lawfully charged under applicable law, then such charges shall be calculated so as not to exceed the highest lawful interest.

Buyer shall not apply any set-off to the price of the Seller's products or account balance without prior written agreement by the Seller.

Unless otherwise noted, all sales are made F.O.B. point of shipment and in all cases, title shall pass upon delivery to the carrier at the point of shipment and thereafter all risk of loss or damage shall be upon buyer.

QUOTES: Typographical and stenographic errors are subject to correction. Purchaser agrees to accept either overage or shortage not in excess of ten percent to be charged pro-rata. Purchaser assumes liability for patent and copyright infringement when goods are made to purchaser's specifications.

DELIVERY: Delivery dates given in advance of actual shipment are estimates and shall not be deemed to represent fixed or guaranteed delivery dates. BAART shall not be liable for failure to deliver or for delay in delivery or performance due to a cause beyond its reasonable

control, including an act of God, act or omission of Buyer, governmental intervention, fire, strike, or other labor difficulty, civil disturbance, insolvency, or other inability to perform by delay in transportation, or other commercial impracticability. In the event of any such delay, the date of delivery or performance shall be extended for a period equal to the time lost by reason of delay.

CANCELLATION: Buyer may cancel an order by mutual agreement based upon payment to BAART of reasonable and proper cancellation charges.

RETURN POLICY: Goods may not be returned without the prior written consent of BAART and all returns may be subject to a restocking charge.

CHANGE IN BUYER'S FINANCIAL CONDITION: BAART reserves the right by written notice to cancel any order or to require full or partial payment or adequate assurance of performance from Buyer without liability to BAART in the event of the insolvency of Buyer, the filing of a Petition in Bankruptcy by Buyer, the appointment of a Receiver or Trustee for Buyer, or the execution by Buyer of an assignment for the benefit of creditors. BAART reserves the right to suspend its performance until such payment or adequate assurance of performance has been received. BAART reserves the right to cancel Buyer's credit at any time for any reason. BAART also requires notification of a change in name or organizational structure, e.g. incorporation or change to LLC, etc. With any such changes, BAART reserves the right to require a new credit application to be completed.

SECURITY: Buyer hereby grants, and BAART reserves, a Purchase Money Security Interest in each good purchased hereunder, and in any proceeds thereof, for the amount of the purchase price. Upon request by BAART, buyer shall sign any documents required to perfect such security interest. Payment in full of the purchase price of any good, purchased hereunder, shall release the security interest on that good.

ASSIGNMENT: Buyer shall not assign any or all of its duties or rights hereunder without the prior written consent of BAART.

ACCEPTANCE: All orders are subject to acceptance by BAART. Any representation, affirmation of fact and course of dealing, promise or condition in connection therewith or usage of trade not incorporated herein, shall not be binding on either party. If any provision hereof shall be unenforceable, invalid or void for any reason such provision shall be deleted from the contract, and other provisions shall have full effect upon both parties.

TOTAL AGREEMENT: This document shall constitute the total agreement between the parties. In no event shall any oral agreement between these parties supersede, or take priority over the written terms and conditions of this document. This document shall be accompanied by and construed with the purchase order or any other written documents that are contemplated and authorized by the terms and conditions set forth herein.

The interpretation of this agreement shall be subject to the laws of the State of Oregon and any necessary legal action shall be brought in Multnomah County, Oregon. BAART and the applicant agree that any claim or dispute between them, their agents, employees, successors or assigns, related to this application, the credit extended thereafter or otherwise (other than the exercise of rights under the security interests created by purchases or otherwise), including disputes related to the applicability of this agreement, regardless against whom made, shall be resolved by binding arbitration by and under either (a) the Code of Procedure of the National Arbitration Forum or (b) American Arbitration Association. This agreement shall be subject to and interpreted under the Federal Arbitration Act.