



STANDARD TERMS AND CONDITIONS OF SALE

1. ACCEPTANCE OF ORDERS & TERMS

(a) All quotations and bids, and the acceptance of the contract & order, are subject to final written acceptance of BMD Electronics & Hardware Inc. (Hereafter "Company") located 2401 East Atlantic Blvd. Suite 204 Pompano Beach FL 33062 USA. Acceptance is expressly made conditional upon assent by the Buyer to these terms. Prices, cash discounts, and terms subject to change without notice.

(b) Prices are stated in U.S. dollars, are exclusive of sales, use, excise, or similar taxes, and are subject to any price adjustment necessitated by BMD Electronics & Hardware Inc. compliance with any act of government.

2. TERMS (REVISED)

Upon approved credit the following terms will apply:

(a) Net 30 days upon the credit approved by BMD Electronics & Hardware Inc. based on the result of three (3) trade references and bank reference provided by buyer. Otherwise, or for the first time customer, we offer COD or cash in advance.

(b) Invoices bear the date of the shipment and are mailed or sent electronically from Pompano Beach, Florida.

3. IMPORTANT PRICE INFORMATION

(a) Prices made on the quotation are final.

(b) Claims for billing errors on invoices must be made to BMD Electronics & Hardware Inc. within 30 days from the date of the invoice.

(c) Price Protection: Written quotations are firm for 31 days from the date of BMD Electronics & Hardware Inc. quotation.

(d) Cancellation: A cancellation charge may be made when an order is cancelled. Partial cancellation of an order may necessitate a small order handling charge and eliminate prepayment of freight.



- (e) Additions to orders already processed will be considered separate orders.
- (f) Partial shipments made at Distributor's request will be considered as separate orders for determination of direct shipment charges, freight prepayment, and whether small order handling charges applies.

4. PAYMENT

- (a) Buyer shall make all payments in U.S. currency.
- (b) Unless credit is approved by BMD Electronics & Hardware Inc., all orders shall be paid through an irrevocable documentary letter of credit established by the Buyer at its expense at the time of order submission, in favor of and in form acceptable to BMD Electronics & Hardware Inc. Said letter of credit shall be issued or confirmed by a U.S. bank and shall be payable upon presentation by BMD Electronics & Hardware Inc. of its invoice and evidence of delivery in accordance with the terms hereof. Said letter of credit shall be in sufficient amounts to meet all of Buyer's payment obligations, shall provide for partial shipments, cancellation charges and escalation, if applicable, and shall be valid for at least 60 days beyond the estimated delivery date(s) set forth.
- (c) All account balances are payable in full within 30 days from date of invoice unless otherwise agreed to in writing. Interest of up to 1.5% per month or the maximum permitted by law will be charged on balances exceeding credit terms. Customer understands that they will be responsible for any costs incurred in collecting outstanding amounts due and payable, including all attorney fees and court costs.

5. SPECIAL CHARGES

- (a) Due to the cost of handling small orders, a minimum billing of \$250.00 net will be made.
- (b) Any special packaging, handling, testing, test report, or inspection requested by Buyer will be at Buyer's expense and must be agreed upon by BMD Electronics & Hardware Inc.
- (c) Orders shipped using the emergency "After Hours" service will be charged a minimum \$500.00 Emergency Handling Charge are in addition to material and air freight charges.

6. TAXES

- (a) BMD Electronics & Hardware Inc. reserves the right to add to the price of its products at any time an amount equivalent to any duties, imports, revenues, sales, use, manufacturer's payroll, excise, or other taxes which may be imposed and made applicable to their products unless the buyer presents the tax exception certificate.



(b) Any taxes, including but not limited to sales, use, excise taxes, duties, fees, charges, or assessments of any nature levied by any governmental authority other than that of the U.S.A. in connection with this transaction, whether levied against Buyer, against BMD Electronics & Hardware Inc. or its employees, or against any of BMD Electronics & Hardware Inc.'s vendors or its employees, shall be for Buyer's account and shall be paid directly by Buyer to the governmental authority concerned.

7. SHIPMENT AND DELIVERY

(a) Shipment will be made by surface freight to a destination within the local country of origination, (including export port) as instructed by Buyer. For orders totaling (U.S.) \$1,000.00 net, or more, freight will be prepaid and allowed. No freight allowed for orders under (U.S.) \$999.00 net. Such orders will be shipped prepaid, with the freight expense billed separately. No freight allowance will be made on shipments forwarded collect at the request of the Buyer.

(b) BMD Electronics & Hardware Inc. will use its own discretion in routing all shipments except shipments on a freight collect basis and per nominated by the buyer. Where practical to do so, shipments will be made in any manner requested by the Buyer, if the Buyer will assume the extra transportation costs.

(c) Express/air shipments made at the buyer's request will be shipped freight prepaid, with the freight billed separately. Payment of applicable freight charges is the responsibility of the buyer. BMD Electronics & Hardware Inc. retains the right to adjust or change air freight carrier to account for packaging and /or weight restrictions.

(d) Unless a shipping error was made by BMD Electronics & Hardware Inc., BMD Electronics & Hardware Inc. will not assume, allow, or pay any storage charges incurred at the carrier for freight that is undeliverable or has been refused by the Buyer.

(e) The Buyer shall be responsible for export shipment and for direct payment of costs related to export shipment such as the export license application fee etc. An additional charge may be applied to shipments requiring plastic or non-coniferous skids. Consult factory. Selection of carrier (ocean or air) and all fees and expenses related to such shipment, including, but not limited to those covering preparation of consular invoices, freight, and storage, shall be payable by the Buyer directly to the party providing such service. The Buyer shall be responsible for preparing all consular documents.

(f) The Buyer shall inspect all material upon receipt as all claims for damages, errors or shortages, other than attributable to in-transit handling, must be made by the Buyer within thirty (30) days from the shipping date. Failure to make such claims within a thirty (30) day period shall constitute irrevocable acceptance of the material.

(g) While every effort is made to ship as scheduled, any delay or failure to ship due to strikes, lockouts, fires, breakdowns, supplier's delays, lack of shipping space, lack of customer approvals, correction or clarification of order, governmental acts or regulations,



acts of God, and any other circumstances beyond the control of BMD Electronics & Hardware Inc., shall not be breach of contract.

(h) Orders received with a "HOLD" (for release, for approval, etc.) are not processed for manufacture until release is given. Normal shipping times apply, starting from the time of release.

(i) Item will be shipped within 2 days of the item being received from the supplier and customer payment has been confirmed.

8. GOVERNMENT AUTHORIZATION

(a) Buyer shall be responsible for obtaining any required authorizations such as an Import License or Exchange Permit.

9. TITLE AND RISK OF LOSS

(a) Domestic Sales - Notwithstanding Note 7, paragraph (a) hereof, all material is sold F.C.A. BMD Electronics & Hardware Inc.'s point of shipment. Risk of loss and title pass to the Buyer on delivery to the common carrier at BMD Electronics & Hardware Inc.'s point of shipment. (The Buyer should file with the transportation company any claim for loss or damage in transit within nine months from the date of delivery or what would be considered the normal delivery date. Since shipments are made at released value, the Buyer should carry its own insurance for any deficiency in carrier coverage.)

(b) Export Sales – BMD Electronics & Hardware Inc. shall retain title and risk of loss and damage to all products sold hereunder for delivery outside the United States until such products are placed at the disposal of the Buyer on board the carrier at the usual unloading point in the foreign port of destination.

10. RETURN OF MATERIAL

Material may be returned for credit or refund when authorized by BMD Electronics & Hardware Inc.

11. GOVERNMENT RESTRICTIONS

The acceptance, processing, and fulfillment of orders will be subject to and contingent upon restrictions and conditions imposed by the governments having jurisdiction over points of manufacture or passage of the merchandise.

12. LIMITED WARRANTY

For all LRU and sub-assembled components of BMD Electronics & Hardware Inc. supplied and or manufactured are warranted against mechanical, electrical, and physical defects for a period of one year from the date of shipment from the factory, if the



products have been properly used. All other consumables such as chemical, hardware, composite and raw materials must be claimed within 30 days from the date of shipment if found any factory defectiveness. **SUCH WARRANTY IS EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES, WHETHER EXPRESS, IMPLIED OR STATUTORY, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. THE OBLIGATION OF COMPANY UNDER THIS WARRANTY IS LIMITED TO THE FURNISHING OF NEW PARTS FREE OF CHARGE** in exchange for parts which have proven defective and does not include any other costs such as the cost of removal of defective part, installation, labor, shipment, or consequential damages of any kind, the exclusive remedy being to require such new parts to be furnished. BMD Electronics & Hardware Inc. assumes no responsibility for proper selection and installation of its products.

13. LIMITATION OF LIABILITY

IN NO EVENT SHALL BMD ELECTRONICS & HARDWARE INC. BE LIABLE FOR SPECIAL, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES (REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT OR IN TORT) INCLUDING, WITHOUT LIMITATION, LOST PROFITS, LOSS OF REVENUE, OR DOWNTIME, AND BMD ELECTRONICS & HARDWARE INC.'S LIABILITY FOR ANY CLAIMS OR DAMAGE ARISING OUT OF OR CONNECTED WITH THIS AGREEMENT OR THE MANUFACTURE, SALE, DELIVERY OR USE OF THE PRODUCTS SHALL NOT EXCEED THE PURCHASE PRICE THEREOF.

14. CHANGES

These terms, together with BMD Electronics & Hardware Inc.'s acknowledgement or other written acceptance of the Buyer's order or any terms therein, contain the entire agreement between the Buyer and BMD Electronics & Hardware Inc. and may not be modified, waived, rescinded, or terminated in whole or in part except by a writing signed by the party against whom it is to be enforced. This agreement shall be governed by and interpreted in accordance with Florida State law. Any legal action against BMD Electronics & Hardware Inc. must begin within 3 months of the date the cause of action arises.

15. IMPORTANT NOTICE

The product information published in our catalogs, literature and web site is not guaranteed. It has been compiled with care and is sufficiently accurate for most purposes. It is subject to change without notice. Occasionally, it may be necessary to modify the materials, finishes, or other components of the product. These changes in no way will reduce the performance or function for which the product is intended.