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**PCX Corp.**  
**Customer Terms and Conditions**

- 1. PRICES** - Unless otherwise specifically agreed, all prices are for materials packed for domestic shipment and for delivery F.O.B. point of manufacture. Acceptance of your order is based on present costs, and the prices set forth herein are subject to increase by Seller at any time prior to delivery in respect to all or any portion of the material on order to the extent necessary to cover Seller's increased cost applicable thereto.
- 2. DELIVERY** - Shipping dates are approximate and based on prompt receipt of all necessary information. All risks of loss shall be on Buyer from point of shipment. Buyer shall pay all transportation and delivery charges to final destination. Partial shipments may be made and payments therefore shall become due in accordance with the terms hereof.
- 3. DEFAULT** - If Buyer shall fail or refuse to accept delivery of the equipment and parts ordered hereunder or shall default in the performance of any of the terms, covenants and conditions of this agreement, Seller may retain the cash deposited or paid to it and/or equipment accepted by it on account of the sale price and apply the same toward payment of its damages.
- 4. DELAYS** - (a) Generally: Seller shall not be liable for loss or damage due to delay in delivery, manufacture or installation resulting from any cause beyond Seller's reasonable control, including but not limited to, compliance with any regulation, orders or instructions of any federal, state or municipal government or any department or any agency thereof; Act of God or Force Majeure; acts of civil or military authority; intervening acts including but not limited to fires, strikes, factory shutdowns or alterations, embargoes, wars, riot, delays in transportation; or due to causes beyond the Seller's reasonable control to obtain necessary labor or materials from the Seller's usual and customary sources; and any delays resulting from any such cause shall constitute cause for extending delivery dates and receipt of the goods shall constitute a waiver of all claims for damages. In no event shall Seller be liable for special or consequential damages. (b) Delay by Buyer: Seller shall not be responsible for any delays caused by acts of omission or commission by Buyer. In some cases, Buyer may supply materials to be used or incorporated in the final product. Buyer shall be responsible for any and all costs, charges and fees as a direct and proximate result of the delayed materials. Seller shall immediately notify Buyer of said delay and Seller shall provide an invoice with a statement of costs associated thereto for which Buyer will be fully responsible and become due and payable in accordance with the payment terms herein.
- 5. PAYMENTS** - (a) Terms: The terms of sale herein are subject to credit approval, at the sole discretion of the Seller, and Seller may at any time prior to delivery modify the terms of payment originally specified to require payment in advance. (b) Progress Payments: When expressly authorized in the purchase agreement, partial payments as a "percentage of completion" as

work progresses and shall be invoiced on the 15th and 30th of each calendar month, or as soon thereafter as practicable, or at other frequent intervals as determined by the Seller. Progress invoices shall include the cost of "stored materials", those materials delivered but not installed in addition to the consumed materials received by Seller. There shall be no retained amount withheld from any partial payment. Retained percentage, if required, shall be specifically identified and included in the schedule of progress payments. All invoices become due and payable under the payment terms herein.

**6. TAXES** - The amount of taxes stated on the reverse side hereof, if any, is approximate only. Buyer is responsible for the full amount of all taxes applicable to or as a result of this transaction, exclusive of franchise taxes and taxes measured by the net income of Seller. Buyer shall pay the amount of all such taxes at any time requested by Seller, as if originally added to the price. If Seller advances payment of such taxes, Seller shall invoice Buyer and said taxes shall be due and payable under the terms herein.

**7. MODIFICATION AND CANCELLATION** - (a) Modification: Buyer may modify its orders, reduce quantities, revise specifications or extend schedules only after mutual written agreement between Buyer and Seller. If any change causes variation in the Contract price and/or time, an equitable and reasonable adjustment shall be made and this agreement shall be modified accordingly. Seller may suspend manufacture of the product until such time as the modifications or changes have been agreed upon. (b) Cancellation: Any cancellation of orders must be made in writing. Buyer is solely responsible for all costs and charges of cancellation as listed herein. If Buyer, without cause, issues written notice of cancellation, Seller shall immediately cease manufacture and shall terminate all subcontracts and material supply contracts. Seller will issue to Buyer a final invoice which shall include all expenses incurred to the cancellation date, including cost of work performed, cost of settling and paying termination charges under subcontracts or material supply contracts, prorated profit to the point of cancellation, and any other charges incurred as a result of said cancellation. Seller will make every effort to mitigate any costs and charges as a result of cancellation.

**8. Limited Warranty** - STANDARD WARRANTY PERIOD: PCX warrants each new item of equipment manufactured by PCX to be free from defects in materials and workmanship under normal use and service for a period of eighteen (18) months from date of shipment or twelve (12) months from the date of energization, whichever is sooner, unless stated herein. Products supplied by PCX but manufactured by others are warranted only to the extent of the supplying manufacturer's warranty. This standard Warranty is given only to the purchaser and is not transferable to any third party. Any equipment repaired or replaced under this Warranty will carry the balance of the remaining warranty or ninety (90) days, whichever is greater. OPTIONAL EXTENDED WARRANTY PERIOD: If so incorporated as part of the Purchase Order, the Warranty period may commence no later than the date of occupancy or store opening, whichever may apply, and for a period not to exceed twelve (12) months, so long as the following conditions have been met: (1) An extended warranty fee has been incorporated as an item of purchase, invoiced and paid; (2) PCX or its authorized representative shall perform an on-site inspection, to its satisfaction, at the time of occupancy or opening to verify system condition

prior to authorizing said extended term. **LIMITATION OF REMEDIES:** THIS WARRANTY IS A LIMITED WARRANTY AND IS THE ONLY WARRANTY MADE BY PCX. The warranty is limited to the repair or, at PCX's option, replacement of all defective equipment returned F.O.B. PCX's facility, provided notice of any such defect and satisfactory proof thereof is promptly given to PCX in writing: PCX , 33 Pony Farm Rd, Clayton, NC 27520. This Warranty does not cover: (1) Reimbursement for labor, transportation, gaining access to, removal, installation, temporary power, or any other expenses which may be incurred in connection with repair or replacement; (2) damage caused by overloading, abuse, misuse, tampering, neglect or accident, disaster, or putting to use other than normally recommended by PCX; (3) used products or equipment ordered hereunder; (4) any equipment which has been repaired, altered or assembled in any way by other than PCX, which in the sole judgment of PCX affects the performance or purpose for which it was manufactured. **Warranty Disclaimer:** PCX DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED; INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE OR MERCHANTABILITY. THE REMEDIES SET FORTH ABOVE ARE THE SOLE REMEDIES FOR ANY BREACH OF WARRANTY, WHETHER EXPRESS OR IMPLIED, AND THE WARRANTY SET FORTH ABOVE IS IN LIEU OF ALL OTHER EXPRESS WARRANTIES, WHETHER ORAL OR WRITTEN. NO RESELLER, AGENT OR EMPLOYEE OF PCX IS AUTHORIZED TO MAKE ANY MODIFICATION, EXTENSION OR ADDITION TO THIS WARRANTY. In no event will PCX be liable for special, incidental, consequential, indirect or other similar damages resulting from any breach of warranty, whether express or implied, or otherwise relating to the product, even if PCX has been advised of the possibility of such damages or if the above remedies are found inadequate.

**9. APPLICABLE LAW. VARIATION OF TERMS** - The rights and obligations of Seller and Buyer under this order shall be governed by the laws of the State of North Carolina. No waiver, modifications, or addition to any of the terms of this order shall be binding on Seller unless made in writing by an authorized representative of Seller. The provisions hereof are intended by Buyer and Seller as a final expression of their agreement and are intended also as a complete and exclusive statement of all terms applicable to Buyer's order.

**10.** All printed prices are quoted F.O.B. Factory, subject to terms as printed and subject to change without notice.

**11. TERMS** – All invoices submitted by Seller shall be paid net cash 30 days subject to credit approval, unless otherwise specifically noted. If any submitted invoices are not paid when due, Buyer shall pay late charges equal to the highest lawful contractor rate of interest not to exceed 1½% per month computed from the due date on the unpaid balance of the invoice and any other costs incurred by the seller collect amounts due.