

TERMS AND CONDITIONS OF SALE FOR SPARE PARTS

The following Terms and Conditions of Sale and any order acknowledgement issued by Alvarado Mfg. Co., Inc., ("Alvarado") contain the entire and only agreement between the parties relating to the sale of goods by Alvarado to the customer.

1. Order(s) Criteria

- Minimum Order Amount
- \$50 (Credit card only)
- Minimum Order Amount Accepted on Terms - \$150
- Verbal Purchase Orders accepted with credit card only

2. Quotations: Quotations for spare parts from Alvarado, including pricing, lead time and delivery information, are priced in US dollars and valid for 30 days from the date of issuance. The quotation remains valid unless otherwise noted in writing. The price of the part(s) does not include service labor to install the part(s).

3. Payment Terms: All orders are to be paid prior to shipping unless credit terms have been established. All orders sold on credit are subject to approval by Alvarado's Credit Department.

4. Shipments: Orders are shipped FOB Chino. The Customer is responsible for all freight charges, insurance premiums, duties and taxes.

5. Taxes: Taxes related to the sale of merchandise by Alvarado will be invoiced where applicable. The customer is responsible for advising Alvarado about any tax exemptions.

6. Lead Time and Delivery: Lead times are calculated from the quote date on quotes and from the order date on orders. Lead times are estimates and can change as other orders are received. Alvarado is not responsible for any delays that may arise or for any damages that result from delayed or cancelled shipments for any reason. Delivery schedules indicated on the quotation, in business days, are estimated from the date of receipt of the customer purchase order, pending receipt of complete information allowing Alvarado to proceed with the order. Delivery schedules are based upon the best information available at the time of quotation. All reasonable steps to meet delivery schedules will be taken by Alvarado. In no event shall Alvarado bear any liability resulting from failure to deliver, or any delay in the delivery of products where delay is attributable in whole or part to a third party or to causes beyond our control. Customer is responsible for all shipping material, packaging material, and crating charges.

7. Cancellation: Order cancellation must be requested in writing by the Customer and are only possible if the part(s) has not yet been shipped. Special-order, discontinued and/or non-stock part(s) cannot be canceled.

8. Errors; Mistakes: Alvarado reserves the right to correct clerical errors in quotations, orders, acknowledgements or invoices.

9. Warranty: Alvarado warrants the part(s) it sells under these Terms and Conditions to be free of defects in materials and workmanship for 90 days. A part(s) found to be defective within 90 days from delivery to the Customer will be repaired or replaced with new or refurbished part(s) by Alvarado at no charge to the Customer. This is the sole and exclusive remedy of the Customer under this Warranty. This Warranty does not apply to consumables. Any part(s) altered, modified or misused according to its set purpose will not be applicable under the terms of the Alvarado warranty.

10. Customer Responsibilities under the Warranty: It is the Customer's responsibility to notify Alvarado immediately if a part(s) is found defective during the Warranty repair and replace period. The Customer must request and obtain a return material authorization number (RMA) before returning a part(s) to Alvarado. After you receive the replacement part(s), you have 45 days to return the warranted part(s) to Alvarado. If you do not first obtain an RMA, or do not return the warranted part(s) within the 45-day period, the warranty will be voided and the Customer will be charged for the replacement part(s) at the current list price.

11. Disclaimer of Other Warranties: THE WARRANTIES SET FORTH ABOVE IN SECTION 9 ARE IN LIEU OF ALL OTHER WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING BUT NOT LIMITED TO, ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, WHICH ARE EXCLUDED.

12. Part(s) Returns for Credit: Alvarado will accept returns, less a 40% restocking fee, of part(s) for credit if the part(s) are unused, in original packaging and in saleable condition. It is the Customer's responsibility to request and obtain a return authorization (RMA) before returning any part(s) to Alvarado. Part(s) returns for credit must be received less than 30 days from the invoice date and are subject to Alvarado's acceptance. All authorized returns should be shipped

freight paid, to Alvarado's location in Chino, CA USA. Special-order, discontinued and non-stock part(s) cannot be returned for credit.

13. Title; Risk of Loss; Insurance: You are purchasing part(s) for the repair or maintenance of Alvarado products that will become part(s) of the Product as if present at the time of manufacture. Title (subject to any reserved security interest) and risk of loss pass to the Customer when Alvarado gives the part(s) to the carrier for shipment. Part(s) paid for in full before shipment will be shipped uninsured unless the Customer requests insurance when ordering. Part(s) purchased on credit must be insured by the Customer for at least the purchase price against loss or damage by fire and other "extended coverage" hazards during transit and while at the Customer's facility until the part(s) are paid for in full. Losses covered by the insurance are to be paid in Alvarado's name and will be applied to the unpaid balance.

14. Force Majeure: Alvarado is not liable for nor shall it be considered to be in breach of or default under these terms for any delay or failure to perform as a result of any causes or conditions beyond its reasonable control, including but not limited to fire, explosion, flood, storm or other acts of God, war, embargo, strike, riot, or the intervention of any government authority. If a force majeure event occurs, Alvarado shall give the Customer prompt written notice and use commercially reasonable efforts to minimize the event's impact.

15. Notice of Claims: Claims for shortage, damage or other purposes are to be made to the Alvarado service department within 30 days of receipt of order. Claims for damages incurred in shipping are the responsibility of the customer, unless specified in writing. Claims for shipping related damages should be directed to the shipping company or the customer's shipping insurer. Alvarado will assist its customers with spare parts damaged or rendered inoperable due to damage in shipping in any way possible and each case will be treated on an individual basis. NOTWITHSTANDING ANYTHING HEREIN TO THE CONTRARY, THE FOREGOING IS CUSTOMER'S SOLE AND EXCLUSIVE REMEDY FOR BREACH OF WARRANTY BY ALVARADO WITH RESPECT TO THE PRODUCTS. ALVARADO MAKES NO OTHER WARRANTIES, ARISING FROM OPERATION OF LAW OR OTHERWISE, EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR NON-INFRINGEMENT, AND ALL OTHER WARRANTIES ARISING FROM COURSE OF DEALING OR USAGE ARE HEREBY EXCLUDED. IMPLIED WARRANTIES THAT MAY BE IMPOSED BY LAW ARE LIMITED IN DURATION TO THE PRODUCTS SOLELY ON THE BASIS OF THE LIMITED WARRANTY EXPRESSED HEREIN. UNDER NO CIRCUMSTANCES SHALL ALVARADO BE LIABLE BY VIRTUE OF THIS LIMITED WARRANTY OR OTHERWISE FOR ANY SPECIAL, INDIRECT, SECONDARY, PUNITIVE, EXEMPLARY, INCIDENTAL OR CONSEQUENTIAL DAMAGES (INCLUDING BUT NOT LIMITED TO LOSS OF PRODUCTION TIME OR OF ANTICIPATED REVENUE OR PROFITS TO ANY PERSON OR PROPERTY ARISING OUT OF THE USE OR INABILITY TO USE THE PRODUCTS), EVEN IF ALVARADO HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. SOME STATES DO NOT ALLOW THE EXCLUSION OR LIMITATION OF INCIDENTAL OR CONSEQUENTIAL DAMAGES, SO THE ABOVE LIMITATION OR EXCLUSION MAY NOT APPLY TO YOU.

16. Limitation of Liability: IN NO EVENT SHALL THE LIABILITY OF ALVARADO FOR ANY AND ALL CLAIMS ARISING HEREUNDER EXCEED THE SUM CUSTOMER'S PAYMENTS FOR THE PRODUCTS THAT ARE THE SUBJECT OF DISPUTE.

17. Governing Law: This contract and all matters concerning, arising out of or relating to its subject matter shall be governed by the laws of the State of California.