



Unless otherwise expressly agreed in writing, all sales are subject to the following Terms and Conditions:

1. **GENERAL:** Magnum Systems ("Seller") hereby agrees to sell to the buyer named on the face hereof, or on the corresponding purchase order ("Buyer") the products listed on the face hereof or on the corresponding purchase order (the "Products") on the express condition that Buyer agrees to accept and be bound by the terms and conditions set forth herein ("Agreement"). Any provisions contained in any form issued by Buyer shall not operate to vary any of the terms and conditions set forth herein unless expressly agreed to by Seller in writing. Seller's failure to object to terms contained in any communication from Buyer will not be a waiver of the terms set forth herein, and such terms included in the communication from Buyer shall not bind Seller and shall not become a part of this Agreement or any purchase order between buyer and Seller unless expressly agreed to in writing and signed by an authorized representative of Seller. All orders are subject to acceptance in writing by an authorized representative of Seller.

2. **PRICE:** All prices for the Products will be as specified by Seller or, if no price has been specified or quoted, will be Seller's price in effect at the time of shipment. All prices are subject to adjustment by Seller on account of specifications, quantities, shipment arrangements or other terms or conditions that are not part of Seller's original price quotation.

3. **TAXES AND OTHER CHARGES:** Prices for the Products are exclusive of all excise, sales, use, transfer and other taxes and duties imposed by any federal, state, municipal or other governmental authority with respect to the sale, purchase, manufacture, delivery, storage, processing, use, consumption or transportation of any Products covered hereby, all of which taxes and duties must be paid by Buyer.

4. **TERMS OF PAYMENT:** Unless agreed upon in advance in writing, payment for Products shall be made as follows: (i) 30% of purchase order price upon receipt of the purchase order and agreement to the same by Seller, (ii) 30% of purchase order price upon issuance of approval drawings, (iii) 30% of purchase order price upon notification of shipment by Seller, and (iv) 10% due Net 30 from date of delivery. Delays in delivery cause by Buyer shall not extend the time for payment or otherwise affect the terms of payment. If Buyer fails to pay any amounts within three (3) business days of the date on which any such payment is due, Buyer shall pay Seller interest thereon at a periodic rate of the lower of one and one-half percent (1.5%) per month or the highest rate permitted by law, together with all costs and expenses (including without limitation reasonable attorneys' fees, disbursements and court costs) incurred by Seller in collecting such overdue amounts or otherwise enforcing Seller's rights hereunder. Seller reserves the right to require from Buyer full or partial payment in advance, or other security satisfactory to Seller, at any time that Seller believes in good faith that Buyer's financial condition does not justify the terms of payment specified above. All payments shall be made in U.S. Dollars.

Export orders require a 30% down payment with the remaining amount due prior to shipment or else must be secured by an irrevocable letter of credit acceptable to Seller in its sole discretion and issued by a first class United States bank.

5. **DELIVERY: CANCELLATION OR CHANGES BY BUYER:** The Products will be shipped to the destination specified by Buyer, F.O.B. Seller's facility or last shipping point according to Incoterms 2010. Unless otherwise mutually agreed to by the parties in writing, Seller will select the carrier for shipment of the Products, but in no event will Seller be deemed to assume any liability in connection with such shipment nor will the carrier be deemed to be the agent of Seller. Seller will have the right, at its election, to make partial shipments of the Products and to invoice each shipment separately. The Products will be insured in transit at the expense of Buyer. Seller reserves the right to stop delivery of Products in transit and to withhold shipments in whole or in part if Buyer fails to make any payment to Seller when due or otherwise fails to perform its obligations hereunder. All shipping dates are approximate only, and Seller will not be liable for any loss or damage resulting from any delay in delivery or failure to deliver which is due to any cause beyond Seller's reasonable control. In the event of a delay due to any cause beyond Seller's reasonable control, Seller reserves the right to terminate the order or to reschedule the shipment within a reasonable period of time, and Buyer will not be entitled to refuse delivery or otherwise be relieved of any obligations as the result of such delay. At Seller's option, Products as to which delivery is delayed due to any cause within Buyer's control may be placed in storage by Seller at Buyer's risk and expense and for Buyer's account. Orders in process may be canceled only with Seller's written consent and upon payment of Seller's cancellation charges. Orders in process may not be changed except with Seller's written consent and upon agreement by the parties as to an appropriate adjustment in the purchase price therefore. Credit will not be allowed for Products returned without the prior written consent of Seller.

6. **TITLE AND RISK OF LOSS:** Subject to the provisions of Section 7 below and to Seller's right to stop delivery of Products in transit, title to and risk of loss of the Products will pass to Buyer upon delivery of possession of the Products by Seller to the carrier; provided, however, that title to any software incorporated within or forming a part of the Products shall at all times remain with Seller or the licensor(s) thereof, as the case may be. Any claims for damage to, or loss or miss-delivery of, the Products will be filed directly with the carrier by Buyer.

7. **SECURITY INTEREST:** Seller reserves and Buyer grants to Seller a security interest in all Products sold and all proceeds thereof to secure the full payment and performance by Buyer of its obligations and liabilities to Seller. Buyer acknowledges and agrees that this document or copies of this document may be filed with the appropriate authorities as a financing statement and agrees to execute and deliver such other documents as Seller may request in order to evidence or perfect such security interest.

8. **PRODUCT SAFETY:** Products manufactured by or supplied by Seller are designed and manufactured in accordance with accepted national electrical and safety codes to meet general safety standards. However, Seller does not guarantee full conformity to OSHA requirements because of the significant bearing on such factors as installed location, surrounding equipment, and proper installation and operation of the Products. Seller will not be responsible for compliance with state, county, or municipal codes nor their interpretation by local inspectors where such vary from national standards. Buyer agrees that once title passes to the Products, it has sole control over the Products and it shall be solely responsible for safety compliance.

THE PEOPLE, PARTS AND SYSTEMS THAT KEEP THE LINE MOVING.

Operator access, training, and use of the Products, and full compliance with all provisions of safety requirements for such Products are the Buyer's sole responsibility.

9. WARRANTY: Seller warrants that the Products shall be free from defects in design, material, and workmanship, for a period of one (1) year from the date of shipment to Buyer (the "Warranty Period"). Seller agrees during the Warranty Period, provided it is promptly notified in writing by Buyer upon the discovery of any defect, and further provided that all costs of returning the defective Products to Seller are pre-paid by Buyer, to repair or replace, at Seller's option, any Products determined by Seller to be defective. Replacement parts may be new or refurbished, at the election of Seller. All replaced parts shall become the property of Seller. Shipment to Buyer of repaired or replacement Products shall be made in accordance with the provisions of Section 5 above.

Lamps, fuses, bulbs and other expendable items are expressly excluded from the warranty under this Section 9. Seller's sole liability with respect to equipment, materials, parts or software furnished to Seller by third party suppliers shall be limited to the assignment by Seller to Buyer of any such third party supplier's warranty, to the extent the same is assignable, and such third party warranty shall be the sole warranty provided in connection with such equipment, materials, parts, or software. In no event shall Seller have any obligation to make repairs, replacements or corrections required, in whole or in part, as the result of (i) normal wear and tear, (ii) accident, disaster or event of force majeure, (iii) misuse, fault or negligence of or by Buyer or its agents or authorized users, (iv) use of the Products in a manner for which they were not designed, (v) causes external to the Products such as, but not limited to, power failure or electrical power surges, (vi) improper storage of the Products, (vii) improper or unauthorized installation, maintenance, or repair of the Products or (viii) use of the Products in combination with equipment or software not supplied by Seller. If Seller determines that Products for which Buyer has requested warranty services are not covered by the warranty hereunder, Buyer shall pay or reimburse Seller for all costs of investigating and responding to such request at Seller's then prevailing time and materials rates. If Seller provides repair services or replacement parts that are not covered by the warranty provided in this Section 9, Buyer shall pay Seller therefore at Seller's then prevailing time and materials rates. ANY INSTALLATION, MAINTENANCE, REPAIR, SERVICE, RELOCATION OR ALTERATION OF THE PRODUCTS PERFORMED BY ANY PERSON OR ENTITY OTHER THAN SELLER WITHOUT SELLER'S PRIOR WRITTEN APPROVAL, OR ANY USE OF REPLACEMENT PARTS NOT SUPPLIED BY SELLER, SHALL IMMEDIATELY VOID AND CANCEL ALL WARRANTIES WITH RESPECT TO SUCH PRODUCTS.

EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, SELLER MAKES NO REPRESENTATION OR WARRANTY OF ANY KIND, EITHER EXPRESS OR IMPLIED, AS TO THE PRODUCTS, THEIR MERCHANTABILITY, OR FITNESS FOR ANY INTENDED USE OR PURPOSE. SELLER'S LIABILITY (WHETHER UNDER THE THEORIES OF BREACH OF CONTRACT OR WARRANTY, NEGLIGENCE, OR STRICT LIABILITY) FOR PRODUCTS SHALL BE LIMITED TO REPAIRING OR REPLACING PRODUCTS OR PARTS FOUND TO BE DEFECTIVE, OR AT SELLER'S OPTION, TO REFUNDING THE PURCHASE PRICE OF SUCH PRODUCTS OR PARTS.

10. INDEMNIFICATION: A: By Seller: If notified promptly in writing of any action (and all prior related claims) brought against Buyer based on a claim that a Product infringes any valid United States patent, copyright or trade secret, Seller shall defend such action at Seller's expense and pay all costs and damages finally awarded in such action or settlement which are attributable to such claim. Seller shall have sole control of the defense of any such action and all negotiations for its settlement or compromise. Buyer shall cooperate fully with Seller in the defense, settlement or compromise of any such action. Notwithstanding anything to the contrary contained herein, Seller shall not have any liability to Buyer to the extent that any infringement or claim thereof is based upon (i) use of a Product in combination with equipment or software not supplied by Seller where the Product would not itself be infringing, (ii) compliance with Buyer's designs, specifications or instructions, (iii) use of the Product in an application or environment for which it was not designed or (iv) modifications of the Product by anyone other than Seller without Seller's prior written approval. THE FOREGOING INDEMNIFICATION PROVISION STATES SELLER'S ENTIRE LIABILITY WITH RESPECT TO INFRINGEMENT OR ALLEGED INFRINGEMENT BY THE PRODUCTS OF PATENTS, COPYRIGHTS, TRADE SECRETS OR OTHER INTELLECTUAL PROPERTY OR PROPRIETARY RIGHTS OF THIRD PARTIES.

B: By Buyer: Buyer shall indemnify, defend with competent and experienced counsel and hold harmless Seller, its parent, subsidiaries, affiliates and divisions, and their respective officers, directors, shareholders and employees, from and against any and all damages, liabilities, actions, causes of action, suits, claims, demands, losses, costs and expenses (including without limitation reasonable attorneys' fees and disbursements and court costs) to the extent arising from or in connection with (i) the negligence or willful misconduct of Buyer, its agents, employees, representatives or contractors; (ii) use of a Product in combination with equipment or software not supplied by Seller where the Product itself would not be infringing; (iii) Seller's compliance with designs, specifications or instructions supplied to Seller by Buyer; (iv) use of a Product in an application or environment for which it was not designed; (v) modifications of a Product by anyone other than Seller without Seller's prior written approval; or (vi) any acts or omissions of Buyer with respect to this Agreement or the ownership or use of any Products.

11. SOFTWARE: With respect to any software products incorporated in or forming a part of the Products hereunder, Seller and Buyer intend and agree that such software products are being licensed and not sold, and that the words "purchase", "sell" or similar or derivative words are understood and agreed to mean "license", and that the word "Buyer" or similar or derivative words are understood and agreed to mean "licensee". Notwithstanding anything to the contrary contained herein, Seller or its licensor, as the case may be, retains ownership of and title to all software products provided hereunder.

Seller hereby grants to Buyer a royalty-free, non-exclusive, nontransferable license, without power to sublicense, to use software provided hereunder solely for Buyer's own internal business purposes in connection with the proper use of the Products provided hereunder as set forth in any documentation provided to Buyer by Seller, and to use the related documentation solely for Buyer's own internal business purposes. This license shall automatically terminate when Buyer's lawful possession of the Products provided hereunder ceases, unless earlier terminated as provided herein. For purposes of Section 117 of the Copyright Act of 1976, as amended, and for all other purposes, Seller will be considered the owner of the software contained in any Products and related documentation provided hereunder and any copies thereof, and of all copyright, trade secret, patent, trademark and other intellectual property rights therein. Buyer agrees not to sell, transfer, license, loan or otherwise make available to third parties the software contained in any Products and related documentation provided hereunder. Buyer may not modify, enhance or otherwise change or supplement the software contained in any Products provided hereunder without Seller's prior written consent. The source code for the software contained in any Products supplied hereunder will not be disclosed to Buyer, and Buyer may not disassemble, de-compile or reverse engineer such software supplied hereunder. Buyer agrees to hold in confidence the software contained in any Products and related documentation supplied hereunder and not to disclose or make available in any form the same, except to Seller's and Buyer's employees and agents and then only to the extent necessary for such employees or agents to perform under this Agreement or to operate or use such Products in the manner contemplated by any documentation provided by Seller to Buyer. Seller will be entitled to terminate this license if Buyer fails to comply with any term or condition herein. Buyer agrees, upon termination of this license, to immediately return to Seller all software contained in any Products and related documentation provided hereunder and all copies and portions thereof.

Certain of the software contained in Products and provided by Seller may be owned by one or more third parties and licensed to Seller. Seller and Buyer intend and agree that such software owned by third parties and provided hereunder are being sublicensed to Buyer, that such third parties retain ownership of and title to such software, and that such third parties may directly enforce Buyer's obligations hereunder in order to protect their respective interests in such software. The warranty and indemnification provisions set forth herein shall not apply to software owned, in whole or in part, by third parties and provided hereunder.

THE PEOPLE, PARTS AND SYSTEMS THAT KEEP THE LINE MOVING.

12. LIMITATION OF LIABILITY: NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED HEREIN, THE LIABILITY OF SELLER UNDER THIS AGREEMENT (WHETHER BY REASON OF BREACH OF WARRANTY, BREACH OF CONTRACT, TORT OR OTHERWISE,) SHALL NOT EXCEED AN AMOUNT EQUAL TO THE TOTAL PURCHASE PRICE THERETOFORE PAID BY BUYER TO SELLER WITH RESPECT TO THE PRODUCT(S) GIVING RISE TO SUCH LIABILITY. NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED HEREIN, IN NO EVENT SHALL SELLER BE LIABLE FOR ANY INDIRECT, SPECIAL, CONSEQUENTIAL OR INCIDENTAL DAMAGES (INCLUDING WITHOUT LIMITATION DAMAGES FOR LOSS OF USE OF FACILITIES OR EQUIPMENT, LOSS OF REVENUE, LOSS OF PROFITS OR LOSS OF GOODWILL), REGARDLESS OF WHETHER SELLER (a) HAS BEEN INFORMED OF THE POSSIBILITY OF SUCH DAMAGES OR (b) IS NEGLIGENT.

13. EXPORT RESTRICTIONS: A. U.S. Export Laws and Regulations. Buyer acknowledges that each Product and any related software and technology, including documents and other material containing technical data and other information (collectively "Items"), may be subject to export controls of the U.S. government. Such export controls may include, but are not limited to, those of the Export Administration Regulations of the U.S. Department of Commerce (the "EAR"), which may restrict the export of Items from the United States and their re-export from other countries. Buyer shall comply with the EAR and all other United States laws, regulations, laws, treaties, and agreements relating to the export or re-export of any Item, and without limiting the foregoing, shall not, without first obtaining permission to do so from the appropriate U.S. government agencies, (i) export or re-export any Item into any of those countries listed from time to time in the EAR as countries subject to general embargoes or to any persons who are specially designated nationals of such countries or (ii) export, re-export, distribute or supply any Item to a person if Buyer knows that such person intends to export or re-export the Item to any such embargoed country or a designated national thereof or intends to use or allow others to use the Item for activities related to weapons or their delivery. Buyer shall cooperate fully with Seller in any official or unofficial audit or inspection related to the export control laws or regulations of the U.S. government.

B. Non-U.S. Approvals. Buyer shall obtain and maintain, at its own expense, any non-United States governmental consents, authorizations, approvals, filings, permits, or licenses required for it to export or import any Product or other Item and for each of Buyer and Seller to exercise its rights and to discharge its obligations under this Agreement including, without limitation, all consents of and filings with any non- United States governmental body.

C. Indemnification. Buyer agrees to indemnify and hold Seller harmless from, or in connection with, any violation of the provisions of this Section by Buyer or its employees, consultants, agents, or customers.

14. CONFIDENTIALITY. In the course of the relationship between the parties, Buyer may acquire valuable trade secrets, proprietary data, and other confidential information of Seller including without limitation drawings, specifications, data, goods, technical information, information on processes, customer lists, customer identities, and other tangible and intangible property (collectively, the "Confidential Information"). Buyer agrees that throughout the course of its relationship with Seller, and for a period of five (5) years after the most recent order placed by and delivered to Buyer, Buyer will not, without the expressed written consent of Seller, directly or indirectly communicate or divulge to, or use for its own benefit or the benefit of any other person or entity, any of Seller's Confidential Information which was communicated to or otherwise learned of or acquired by Buyer during the course of its relationship with Seller. Notwithstanding the foregoing, Buyer may disclose or use Confidential Information under any of the following circumstances: (i) disclosure or use thereof in good faith and in connection with the performance of its duties in the course of its relationship with Seller to the extent required, (ii) disclosure or use of any such information or data which is generally known within the industry or is otherwise available through independent resources, and (iii) disclosure or use thereof pursuant to any regulatory, compliance, or legal requirement in which case Buyer agrees to provide notice of such requirement prior to such disclosure or use in order to give Seller, in its discretion, the ability to challenge any such disclosure or use with the applicable governmental authority or to otherwise obtain a protective order as to such disclosure or use. Buyer agrees to immediately notify Seller of any disclosure of Confidential Information that is not permitted under this Agreement and of any other misuse of Confidential Information in violation of this Agreement. In addition, Buyer agrees to indemnify and hold harmless Seller and its officers, directors, employees, agents, successors and assigns, from and against any and all claims, actions, suits, demands, damages, liabilities, obligations, and other losses, including reasonable attorneys' fees and court costs arising therefrom or related thereto, claimed from or against Seller and related to the unauthorized use or disclosure of Seller's Confidential Information including but not limited to dissemination of Confidential Information that occurs due to a third-party data breach of Buyer's computer, filing, or data retention systems.

15. MISCELLANEOUS: A. General. Buyer may not delegate any duties nor assign any rights or claims hereunder without Seller's prior written consent, and any such attempted delegation or assignment shall be void. The rights and obligations of the parties hereunder shall be governed by and construed as a sealed instrument in accordance with the laws of the State of Kansas without reference to its choice of law provisions. Each party hereby irrevocably consents to the exclusive jurisdiction of the state and federal courts located in Wyandotte County, Kansas, in any action arising out of or relating to this Agreement and waives any other venue to which it may be entitled by domicile or otherwise. In the event that any one or more provisions contained herein (other than the provisions obligating Buyer to pay Seller for the Products) shall be held by a court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, the validity, legality or enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby. The remedies contained herein are cumulative and in addition to any other remedies at law or in equity. Seller's failure to enforce, or Seller's waiver of a breach of, any provision contained herein shall not constitute a waiver of any other breach or of such provision. Any notice or communication required or permitted hereunder shall be in writing and shall be deemed received when personally delivered or three (3) business days after being sent by certified mail, postage prepaid, to a party at the address specified herein or at such other address as either party may from time to time designate to the other. This is the complete and exclusive statement of the agreement between Seller and Buyer with respect to Buyer's purchase of the Products. No waiver, consent, modification, amendment or change of the terms contained herein shall be binding unless in writing and signed by Seller and Buyer.

b. Waiver of Jury Trial. IN THE EVENT OF ANY LEGAL PROCEEDING BETWEEN THE SELLER AND BUYER RELATING TO THIS AGREEMENT, NEITHER PARTY MAY CLAIM THE RIGHT TO A TRIAL BY JURY, AND BOTH PARTIES HEREBY WAIVE ANY RIGHT THAT EITHER PARTY MAY HAVE UNDER APPLICABLE LAW OR OTHERWISE TO A RIGHT TO A TRIAL BY JURY. BOTH BUYER AND SELLER HEREBY ACKNOWLEDGE THAT THIS WAIVER OF JURY TRIAL IS A MATERIAL INDUCEMENT TO ENTER INTO A BUSINESS RELATIONSHIP, THAT EACH PARTY HAS RELIED ON THE WAIVER IN ENTERING INTO THIS AGREEMENT, AND THAT EACH WILL CONTINUE TO RELY ON THIS WAIVER IN THEIR RELATED FUTURE DEALINGS. EACH PARTY WARRANTS AND REPRESENTS THAT SUCH PARTY HAS HAD THE OPPORTUNITY TO REVIEW THIS JURY WAIVER WITH LEGAL COUNSEL, AND EACH OF BUYER AND SELLER KNOWINGLY AND VOLUNTARILY HEREBY WAIVE ITS JURY TRIAL RIGHTS.

THE PEOPLE, PARTS AND SYSTEMS THAT KEEP THE LINE MOVING.

C. Order of Precedence. In case of a conflict between these terms and conditions and the terms and conditions found in any other document, these terms and conditions shall control unless superseding terms are specifically agreed to in a separate writing signed by authorized representatives of both parties.

Rev. 8/8/2017



THE PEOPLE, PARTS AND SYSTEMS THAT KEEP THE LINE MOVING.