

ADS LLC
STANDARD EQUIPMENT SALE AGREEMENT

Orders placed by Buyer for ADS LLC or ADS Corp. ("Seller") products or services shall be subject to these terms and conditions of sale, whether or not specifically referred to. No other terms or conditions or any modifications, changes, or amendments shall be recognized unless specifically agreed to in writing by an authorized official designee of Seller. The lack of objection by Seller to any modifying provisions communicated by Buyer shall not be construed as an acceptance by Seller. In the event of an inconsistency between the terms, conditions, and provisions of this agreement and those of the Buyer's purchase order, then in accordance with the usage of trade, Buyer's failure to object in writing within five (5) business days to the terms and conditions set forth below shall be conclusively presumed as Buyer's acceptance of same. All proposals, negotiations, and representations, if any, regarding this transaction and made prior to the date of this acknowledgement are merged herein.

1. **ORDER AND SPECIFICATIONS:** All orders placed with Seller must be in writing, signed, contain definitive prices, delivery dates, quantities and complete descriptions of products being purchased. Specifications applicable to items sold hereunder shall be those furnished by Seller, or those furnished by Buyer and agreed to in writing by Seller.
2. **PRICES:** Seller prices are those specified in Seller's proposal/quotation. Price quotations, unless otherwise stated, shall automatically expire thirty (30) calendar days from the date issued and may be cancelled or amended within said period upon written notice to Buyer. The prices set forth in Seller's proposal/quotation are subject to being adjusted due to extraordinary market conditions. As used herein, "extraordinary market conditions" means any increase in the cost of materials caused by changes in the market or for any other reason that is outside of Seller's control such as tariffs, surcharges, increased logistics costs and fluctuations in currency and raw materials, which results in a price increase of the prices set forth in a contract, quote, purchase order or order acknowledgement.
3. **PAYMENT:** All products shall be invoiced upon delivery to carrier at point of shipment, and the amount thereon shall be due and payable within thirty (30) days from invoice date. Unpaid balances more than thirty (30) days from date of invoice may be subject to an interest charge of one and one-half percent (1.5%) per month computed from the due date of each invoice previously issued, or the maximum rate legally permitted, whichever is greater.
4. **REMEDIES:** In the event (a) Buyer defaults in the payment of any monies due to Seller hereunder beyond the tenth (10th) day after the same is due or (b) Buyer files or suffers a petition of bankruptcy or insolvency or for reorganization or for the appointment of a receiver or trustee or makes an assignment for the benefit of creditors or enters into an arrangement with creditors and Buyer fails to secure a discharge thereof within thirty (30) days, then in any such event Seller may at its option do any or all of the following: (i) collect from Buyer a service charge on all monies due; (ii) terminate the sale; (iii) whether or not this sale is terminated, take immediate possession of any or all of the equipment wherever situated and for such purpose enter upon any premises without liability for so doing; and (iv) sell, dispose of, hold, use or lease all or any of the equipment as Seller in its sole discretion may decide without any duty or account to Buyer. Buyer shall in any event remain fully liable for damages as provided by law and for all costs and expenses incurred by Seller on account of such default including all court costs and reasonable attorney's fees. The rights afforded Seller under this paragraph shall not be deemed to be exclusive but shall be in addition to the rights or remedies provided by law.
5. **DELIVERY, TITLE AND RISK OF LOSS:** Title and risk of loss of items sold hereunder shall pass to the Buyer upon delivery of the items by Seller to a public carrier (FOB shipping point). In no event shall Seller be liable for any delay in delivery or assume any liability in connection with shipment, nor shall the carrier be deemed an agent of Seller. Insurance associated with goods during transit shall be Buyer's responsibility. All products shall be deemed accepted upon Buyer's confirmation or within three (3) days of date of delivery, whichever occurs first.
6. **FORCE MAJEURE:** Neither Buyer nor Seller shall hold the other responsible for delays in production or delivery caused by Force Majeure or other events beyond the control of the other party which could not reasonably have been anticipated or prevented. Force Majeure shall include, but not be limited to, unusually severe weather, floods, power outages, epidemics, war, acts of terrorism, riots, strikes, lockouts, exercise of police power, condemnation or eminent domain. The foregoing shall not give rise to any claims or damages or be considered a waiver by either party of the obligations of this Agreement.
7. **WARRANTY:** All new products manufactured by Seller will be free from defects in material and workmanship for up to one (1) year following the date of shipment from Seller, except that ADS ECHO™ monitors will be free from defects in material and workmanship for two (2) years following date of shipment from Seller. During this warranty period, upon satisfactory proof of a defect, the product may be returned for repair or replacement, at Seller's sole option. Warranty repairs and replacements will be performed only by Seller or its authorized representative. Any repair or replacement will be covered by this new product warranty for ninety (90) days from the date that such repaired or replaced product is shipped from Seller. No product may be returned without Seller permission and authorization. This warranty is available to the Buyer as the original purchaser of the product, and only if it has been installed, operated, and maintained in accordance with Seller's standards. It is understood and agreed that any modification or alteration to purchased equipment by Buyer, other than that specifically authorized by this Agreement or by Seller, shall VOID AND NULLIFY, in its entirety, all warranty conditions as set forth herein. This warranty does not apply to damage by catastrophes of nature, fire, explosion, acts of God (including, but not limited to, lightning damage), accidents, improper use or service, damage during transportation, or other similar causes beyond Seller's control. Seller expressly disclaims any and all implied warranties, including, but not limited to any warranty for fitness for a particular purpose. The cost of shipping the equipment from Buyer's facility back to Seller shall be paid by the Buyer.

To the extent allowed by law, Seller hereby expressly excludes any warranty for design defect. While products manufactured by Seller are designed and manufactured to meet published specifications, Seller may from time to time improve products currently in the market. However, purchased hardware manufactured to a previous design will be replaced or upgraded at Seller's discretion.

Authorization must be obtained from Seller prior to return of any items, including those for repair. Buyer's right to repair or replacement is governed by the items in this Article 7. Issuance of credit for returned items shall be made at Seller's discretion upon Buyer's request. All returns accepted by Seller may be subject to a restocking fee.

It is understood and agreed that any modification or alteration to purchased equipment by Buyer, other than that specifically authorized by this Agreement or by Seller, shall VOID AND NULLIFY, in its entirety, all warranty conditions as set forth herein.

- 8. PATENT AND COPYRIGHT WARRANTY AND INDEMNITY:** Seller warrants that the Standard Products furnished under this Agreement shall be free and clear of infringement in the U.S. of any patent or copyright covering the structure or composition of such articles. In the event of a claim, suit or action against Seller alleging infringement by the use of any such equipment or documentation, furnished under this Agreement, in combination with other articles or in carrying out any process covered by a patent owned or controlled by any other person, in which independent use of the equipment under this Agreement would not be an infringement, Buyer shall save Seller harmless from liability, as finally determined by a court of competent jurisdiction, for such infringement, provided that Seller shall have given Buyer full and exclusive control of the defense thereof, and that Buyer shall have the sole right to settle claim, suit or action.
- 9. CANCELLATION:** Seller may at its option, cancel an order in the event, (a) Buyer's payments are in default or Buyer breaches any material provision hereto; (b) substantial changes in raw materials occur; (c) causes beyond Seller's reasonable control as specified in Paragraph 7 (Force Majeure); (d) Buyer becomes insolvent or a petition of bankruptcy is filed.
- 10. TAXES:** Buyer shall be responsible for payment of all applicable sales, use or other taxes whether local, state, or federal, which are chargeable in connection with the sale of the items hereunder unless specifically provided for otherwise in writing.
- 11. LAW:** The United Nations Convention on Contracts for the International Sales of Goods is hereby expressly excluded from application to this Agreement. The validity, construction, and performance of these Terms and Conditions of Sale shall be governed by the laws of the State of Alabama without regard to conflicts of laws, rules or principles. Venue shall be in the Circuit Court of Madison County, Alabama. THE PARTIES HERETO EACH HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE THE RIGHT EACH MAY HAVE TO A TRIAL BY JURY WITH RESPECT TO ANY LITIGATION BASED HEREON, OR ARISING OUT OF, UNDER OR IN CONNECTION WITH, THIS AGREEMENT, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER ORAL OR WRITTEN) OR ACTIONS OF EITHER PARTY TO THIS AGREEMENT.
- 12. EXPORT COMPLIANCE:** The items sold under this Agreement are controlled by the U.S. Government and authorized for export only to the country of ultimate destination for use by the ultimate consignee or end-user(s) herein identified. They may not be resold, transferred, or otherwise disposed of, to any other country or to any person other than the authorized ultimate consignee or end-user(s), either in their original form or after being incorporated into other items, without first obtaining approval from the U.S. government or as otherwise authorized by U.S. law and regulations.
- 13. GOVERNMENT INDEMNITY:** Purchase Orders placed hereunder containing a notation that the material is intended for use under a government contract shall be subject to the then current Government provisions referenced thereon in attachments thereto. However, prior to Buyer responding to a bid, said proposal to RFP will be submitted to Seller and all clauses and regulatory requirements required to "flow-down" to subcontractors from a U.S. Government prime contract shall be reviewed, noted as to acceptance or rejection of clauses and mutually agreed to in writing by Buyer and Seller on an individual basis.
- 14. LIMITATION OF LIABILITY:** TO THE EXTENT PERMITTED BY APPLICABLE LAW, IN NO EVENT SHALL SELLER, OR ANY OF ITS AFFILIATES, DIRECTORS, EMPLOYEES, AGENTS OR PARENT CORPORATIONS, BE LIABLE TO ANY PERSON, FIRM OR ENTITY, INCLUDING, BUT NOT LIMITED TO BUYER, FOR ANY INDIRECT, PUNITIVE, EXEMPLARY, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES, INCLUDING BUT NOT LIMITED TO LOST PROFITS, BUSINESS INTERRUPTION, LOST DATA, LOST REVENUE AND/OR LOST SAVINGS, EVEN IF BUYER HAS BEEN ADVISED OF THEIR POSSIBLE EXISTENCE OR IF SAME WERE REASONABLY FORESEEABLE. UNDER NO CIRCUMSTANCE WILL SELLER'S LIABILITY EXCEED THE AGREEMENT PRICE FOR THE GOODS UPON WHICH LIABILITY IS CLAIMED.