

COAST CONTROLS, INC. TERMS, CONDITIONS & WARRANTY (April 2012)

OPEN CREDIT ACCOUNTS

Coast Controls extends credit to industrial and distributor accounts with a good published credit rating. Companies may apply for an account by filling out Coast Controls' Credit Application Form, or by supplying credit information on their company's letterhead to Coast Controls' Accounting Department. Credit Information supplied by the buyer, or by others on the customer's behalf, shall become part of the Credit Application and any false or misleading information shall constitute fraud. Until an account is established all orders are shipped prepaid by check, credit card (Visa or MasterCard only) or wire-transfer.

TERMS (Domestic & International)

Domestic Terms are Net 30 days from the date of shipping, unless otherwise specified.

International Terms are With Order unless otherwise specified and must be in US Dollars.

Accepted payment methods: company check (Domestic Only), wire transfer or credit card (Visa, MasterCard, Discover; subject to a processing fee of 3%). All international invoices are subject to a \$40 wire/bank processing fee.

A 30% down-payment will be required on all orders of \$10,000 or more.

Delinquent payments are subject to a penalty charge of 1-1/2% per month (18% per year). Terms for accounts becoming delinquent are subject to change.

MINIMUM ORDERS

The minimum order amount to be invoiced is \$50. Parts order quantities will be increased to a \$50 total when applicable.

DELIVERY & SHIPPING

When quoted a delivery time frame, your Purchase Order must be received within 7 days from the date of the quote. After 7 days the quoted time frame is invalid and your estimated ship date may or may not be within the time frame quoted. For customers with an urgent request, there exists a possibility to ship earlier than quoted. However, an "expedite fee" could be assessed, along with any other expenses incurred to fulfill this request. (See additional information below on expediting orders.)

International shipments are pre-paid & added to the customers invoice. International carrier: CGL International or UPS. Coast Controls domestic shipments are pre-paid via UPS Ground and UPS Freight. If the customer prefers another carrier, or a premium routing method, this information must be clearly stated on the Purchase Order and confirmed, in writing, by Coast Controls. Customer must provide account number for other carriers when applicable. The customer must authorize any additional expenses that will incur. All promises of shipment or labor shortages, or any other cause beyond reasonable control of Coast Controls. In no event will Coast Controls assume any responsibility for any delays in shipments or deliveries.

EXPEDITING

If a purchase order must be expedited, interfering with the normal work flow of manufacturing, the order is subject to a **20% "expediting fee"**. The minimum "expedite" charge is \$50 per order. All additional fees must be approved and added to existing purchase order.

BLANKET ORDERS

Blanket orders may be scheduled over one fiscal year on one purchase order. Blanket order terms may not exceed the period agreed to. Scheduled shipments may not be broken up. Cancellation charges will be assessed against all work in progress, development costs, and inventory.

Failure to accept delivery for all items ordered within the period agreed to may result in Coast Controls re-establishing unit price for each item ordered for the entire order, i.e. for items shipped and for item not yet shipped. This new price will be based upon both the new number of units scheduled for delivery, and the number of units already delivered. If this number of units falls below the quantity break required to receive the original quote, then the price will have to be adjusted.

SHORTAGES AND DAMAGES

All claims for shortages or shipment errors must be made within 15 days after the receipt of the shipment. Coast Controls liability is limited to the amount of material value on the invoice. Claims for other loss or damages are filed against the carrier involved in the specific shipment.

RETURNS & CANCELLATIONS

Any purchase may be returned for credit within 30 days of shipment, provided that the item is (A) unused and resalable, (B) found to be defective in either material or workmanship (subject to QA inspection), or (C) has been specifically approved by authorized Coast representative. Before returning any item call 1-800-513-2345 to obtain approval. **No RA# is required.** Please have your invoice or packing slip number available when you call and include a copy with your return. If the return is a result of an error by Coast Controls, we will gladly make arrangements for return at our expense. Returns that are not the result of a defect or error by Coast Controls must be returned at the customer's expense and will be subject to a handling and/or restocking charge. All merchandise must be returned in its original packaging. C.O.D. returns will not be accepted. Cancellation of any order must be approved by Coast Controls and will be subject to a cancellation fee. Cancellation fee will be determined based on expenses already incurred and commitments made by Coast Controls.

GUARANTEE

Coast Controls All-Air guiding systems are 100% guaranteed to perform to the customer's complete satisfaction when installed as recommended by Coast Controls. All products manufactured by Coast Controls are covered by an unprecedented 10-Year Guarantee. This guarantee covers only manufacturing defects and does not cover any damage caused by misuse, neglect, accidents, abrasion, water, oil or normal wear and tear. Coast Controls extends the guarantee to the direct purchaser of the products listed on the packing list. Coast Controls has the right to inspect the product(s) at the facility of the direct purchaser at Coast Control's sole discretion. If the product(s) have been modified, altered, changed, damaged, misused, repaired, misapplied or negligently maintained in any manner, then the guarantee is null and void.

If product(s) need to be repaired or replaced, please follow these instructions:

Contact Coast Controls technical service department with a brief description of the problem, have the products serial number (stamped on the right side of the frame) and invoice number from the invoice or packing list ready for identification. If the part/system needs to be replaced, at your request, Coast Controls will promptly ship and invoice a replacement part/system on an exchange basis. After the returned part/system is received, the purchase order/invoice will be credited. If the part/system needs to be repaired, Coast Controls will promptly repair, rebuild or replace the part/system and return it at no charge. Coast Controls supports all systems for a minimum of 10-years. If the required component is unavailable, an equivalent replacement will be furnished at no charge.

Please visit our web site at <http://www.coastcontrols.com/terms.html> or contact us toll-free with any questions 1-800-513-2345.

By submitting a purchase order to Coast Controls you are hereby agreeing to the terms and conditions set forth above.