

## STANDARD TERMS & CONDITIONS OF SALE

ALL ORDERS RECEIVED BY A SALESPERSON OR SELLING AGENT ARE SUBJECT TO APPROVAL BY THE SELLER'S CORPORATE OFFICE.

**PAYMENT TERMS:** CANNON EQUIPMENT STANDARD PAYMENT TERMS ARE NET 30 DAYS, PENDING CORPORATE APPROVAL OF BUYERS CREDIT. IN THE EVENT CREDIT TERMS ARE NOT GRANTED TO THE BUYER, PAYMENT IN ADVANCE WILL BE REQUIRED BY CHECK OR BANK WIRE. PRICES REFLECT A CASH DISCOUNT FORM OF PAYMENT. CREDIT CARD PAYMENTS ARE NOT CONSIDERED CASH AND ARE NOT ELIGIBLE FOR CASH DISCOUNT.

**DELIVERY:** ALL RISKS AND REWARDS OF OWNERSHIP OF THE GOODS TRANSFER TO THE BUYER BASED ON CANNON EQUIPMENTS STANDARD DELIVERY TERMS, AS FOLLOWS:

**DOMESTIC:**

CPT – CARRIAGE PAID TO: OWNERSHIP TRANSFERS WHEN GOOD ARE TURNED OVER TO THE FIRST CARRIER.

EXW – EX WORKS: OWNERSHIP TRANSFERS WHEN THE GOODS ARE AVAILABLE TO THE BUYER AT THE DESTINATION SPECIFIED IN THE SALES CONTRACT.

**INTERNATIONAL:**

CIF – COST, INSURANCE, FREIGHT: OWNERSHIP TRANSFERS WHEN THE GOODS ARE LOADED ON BOARD AT THE PORT OF SHIPMENT, OR ARE PROCURED AFTER BEING LOADED.

DDP – DELIVERED DUTY PAID: OWNERSHIP TRANSFERS WHEN GOODS ARE AVAILABLE TO THE BUYER AT A DESTINATION SPECIFIED IN THE CONTRACT.

THE SELLER ASSUMES NO RESPONSIBILITY FOR PLACING VALUATION UPON SHIPMENTS UNLESS SPECIFICALLY REQUESTED TO DO SO BY THE CUSTOMER. ALL GOODS WILL BE SHIPPED UPON COMPLETION OF THE ORDER, UNLESS WRITTEN INSTRUCTIONS ARE RECEIVED PRIOR TO COMPLETION. GOODS HELD BEYOND NORMAL SHIPPING TIME WILL BE SUBJECT TO WAREHOUSE AND HANDLING CHARGES.

SELLER DOES NOT GUARANTEE DELIVERY OF THE EXACT QUANTITIES CALLED FOR BY THIS ORDER. THE SELLER SHALL BE DEEMED TO HAVE PERFORMED THE TERMS OF THE ORDER IF IT SHALL DELIVER THE QUANTITY SPECIFIED, WITHIN 5% MORE OR LESS, UNLESS A WRITTEN AGREEMENT TO THE CONTRARY IS MADE BY BOTH PARTIES.

THE SELLER SHALL NOT BE HELD LIABLE FOR FAILURE OF PERFORMANCE, OR DELAY IN DELIVERY, DUE TO ACTS OF GOD, STRIKES, FIRES, FAILURE OF SOURCE OF SUPPLY OR OTHER CAUSES BEYOND ITS CONTROL AND AFFECTING ITS OPERATIONS.

ORDERS WHICH HAVE BEEN PLACED CANNOT BE CANCELED, NOR CAN THE DELIVERY OF GOODS, WHICH ARE ALREADY MANUFACTURED OR UPON WHICH WORK HAS BEGUN, BE DEFERRED BEYOND THE ORIGINAL DESIGNATED DELIVERY DATE, EXCEPT WITH THE SELLER'S CONSENT AND UPON TERMS WHICH WILL INDEMNIFY IT FROM ALL LOSS CAUSED THEREBY.

NO GOODS SHIPPED PURSUANT TO THIS ORDER SHALL BE REJECTED NOR SHALL ANY CLAIM FOR BREACH OF WARRANTY, SHORTAGE, INJURY OR OTHER DAMAGES BE VALID OR ENFORCEABLE UNLESS THE SELLER IS NOTIFIED IN WRITING OF SAID REJECTION OR CLAIM WITHIN 10 WORKING DAYS OF THE RECEIPT OF SAID GOODS BY THE CUSTOMER AND IN ANY EVENT SUCH NOTICE MUST BE PRIOR TO THE USE OR ALTERATION OF SAID GOODS.

IT IS NOT THE INTENTION OF THE SELLER TO MANUFACTURE ANY PRODUCT OR PARTS WHICH ARE INFRINGEMENTS OF EXISTING PATENTS. THE CUSTOMER SHALL NOTIFY THE SELLER IF ANY ARTICLES OR PARTS UPON WHICH THE CUSTOMER REQUESTS QUOTATIONS ARE INFRINGEMENTS OF ANY PATENT OR PATENT APPLICATION.

IT IS UNDERSTOOD THAT THIS WRITING SHALL BE COMPLETE AND EXCLUSIVE STATEMENT OF THE TERMS AND CONDITIONS OF THE AGREEMENT BETWEEN SELLER AND CUSTOMER AND THAT THERE ARE NO UNDERSTANDINGS, WARRANTIES OR AGREEMENTS, EXPRESS OR IMPLIED, RELATING TO THIS ORDER OR ITS SUBJECT MATTER THAT ARE NOT FULLY EXPRESSED HEREIN, AND THAT THE CUSTOMER WAIVES ALL WARRANTIES OF MERCHANTABILITY AND THE FITNESS FOR A PARTICULAR PURPOSE NOT EXPRESSED HEREIN.

IN ACCORDANCE WITH THE REGULATIONS ISSUED PURSUANT TO EXECUTIVE ORDER 13496 (74 FR 6107, FEB 4, 2009), THIS QUOTE HEREBY EXPRESSLY INCORPORATES BY REFERENCE THE NOTICE CLAUSE IN 29 CFR PART 471, APPENDIX A TO SUBPART A.