

GENERAL TERMS AND CONDITIONS OF SALE

1. APPLICABILITY. These General Terms and Conditions of Sale govern the sale of products ("Products") and services ("Services") by Howard Industries, Inc., including its various divisions, subsidiaries and affiliates ("Howard" or "Seller") to the purchaser of same ("Purchaser") (each a "Party", collectively the "Parties"). Notwithstanding anything herein to the contrary, if a written contract signed by both Howard and Purchaser is in existence covering the sale of the Products and/or Services, the terms and conditions of said contract shall prevail to the extent they are inconsistent with these Terms (as defined below).

2. TERMS; ACCEPTANCE. A valid written quotation from Howard, including any related statement of work, specifications or other similar document issued or agreed to in writing by Howard (collectively, the "Quotation"), together with these General Terms and Conditions of Sale (collectively, these "Terms"), comprise the entire agreement between Howard and Purchaser relating to the Products or Services that are the subject of such Quotation, and supersede all prior or contemporaneous understandings, agreements, negotiations, representations and warranties and communications, both written and oral. In the event of any inconsistency between the terms and conditions in these General Terms and Conditions of Sale and those in a Quotation, the Quotation shall control. Purchaser's submission of a purchase order is Purchaser's acceptance of these Terms, and Purchaser's acceptance is expressly limited to these Terms. Howard objects to, and is not bound by, any terms or conditions that differ from, add to, or modify these Terms. Purchaser must submit a purchase order in a form reasonably required by Howard. Purchaser's purchase order shall, consistent with the Quotation, identify the specific Products and/or Services ordered, quantities, delivery dates, and other similar terms that may vary from order to order, and no other terms of Purchaser's purchase order shall have any force or effect whatsoever. These Terms prevail over any of Purchaser's general, standard or pre-printed terms and conditions of purchase, regardless of whether or when submitted by Purchaser. No action by Howard (including acknowledgement or fulfillment of Purchaser's order) shall be construed as acceptance of any of Purchaser's terms or conditions. Notwithstanding anything to the contrary, it is expressly understood that Howard may, in its sole discretion, accept, reject or elect not to fulfill any purchase order without penalty or liability to Purchaser.

3. PRICE; TAXES AND DUTIES; SHIPPING COSTS. All price quotes by Howard are in U.S. Dollars and are valid for thirty (30) days. Howard reserves the right to withdraw and/or revise any Quotation at any time. All orders are subject to prior credit approval by Howard. Howard hereby reserves the right to unilaterally revise quoted prices in the event its manufacturing or procurement costs increase due to the imposition by the United States or any other country of new or higher tariff(s) or other similar tax(es), fee(s) or charge(s). All purchase orders or other documents submitted by Purchaser in connection herewith shall reference Howard's Quotation number. Unless different shipping terms are set forth on the Quotation or otherwise agreed to by Howard in writing, all Product pricing is F.O.B. Howard's facility for domestic (U.S.) Purchasers and EXW Howard's facility for international Purchasers and does not include transportation, shipping, packaging, handling, loading, unloading or insurance fees or costs, or sales, use or excise taxes, or any other similar taxes, duties, fees or charges of any kind imposed by any governmental authority related to the Products ("Shipping Costs"), all of which are the sole responsibility of Purchaser. Howard may agree to make additional or different shipping arrangements per Purchaser's request, but, in any event, all Shipping Costs will be paid by Purchaser unless agreed to by Howard in writing.

4. SHIPPING; DELIVERY. Howard will package the Products using Howard's standard methods for packaging. There may be only one destination per order. Howard may, in its sole discretion, without liability or penalty, make partial shipments of Products. Each shipment will constitute a separate sale, and Purchaser shall pay for the units shipped whether such shipment is in whole or partial fulfillment of Purchaser's order. If Products are not picked up in accordance with the agreed upon shipment dates and delivery location, such order(s) shall be treated as cancelled.

5. TITLE AND RISK OF LOSS. Title and Risk of Loss shall pass when the Products are delivered to the carrier at Howard's facility or other agreed-upon delivery location. Purchaser hereby grants Howard a security interest in the Products and their proceeds until paid in full.

6. NO DAMAGES FOR DELAY. Howard shall use commercially reasonable efforts to meet requested delivery or performance schedules or dates for Products and Services, but Purchaser shall not be entitled to monetary compensation for any delay unless otherwise expressly agreed to in writing by the Parties. Purchaser hereby waives and releases Howard from any and all loss, cost, expense, or damages arising out of any delays.

7. PAYMENT. Unless other payment terms are set forth in the Quotation or are otherwise agreed to in writing by Howard, payments for domestic

Purchasers are due net thirty (30) days from date of invoice. International Purchasers will typically be required to pay for orders in full, via wire transfer, prior to commencement of fulfillment of the order. Notwithstanding the above, Howard reserves the right, at its option, to modify the above payment terms, including, for example, permitting payment after production but prior to delivery, upon delivery and/or by irrevocable letter of credit issued or confirmed by a bank in the United States acceptable to Howard. Late payments shall bear interest from and after the due date at a monthly rate equal to five percent (5%). In the event Purchaser is in breach of these Terms, is late on any payment(s) or if Howard believes Purchaser is or may be unable to pay, or for any other reason in Howard's sole discretion, Howard may: (i) accelerate the due date of all outstanding invoices and require that all outstanding invoices, including any interest thereon, be immediately due and payable in full, (ii) stop all work under any order until Howard receives either payment or assurances of payment satisfactory to Howard; (iii) demand prepayment for purchase orders; and/or (iv) delay shipments. All payments must be in U.S. Dollars.

8. NO SET-OFF. Purchaser shall not withhold or delay payment of any amounts due and payable by reason of set-off of any claim, counterclaim, abatement, delay of customer payment, or dispute with Howard.

9. PURCHASER COOPERATION. With respect to Services, Purchaser shall (i) cooperate and assist Howard by responding promptly to any Howard request for direction, information, materials, approvals, authorizations, decisions and/or access to Purchaser's premises or facilities as may be reasonably necessary for Howard to perform Services in accordance with the requirements of these Terms; and (iii) obtain and maintain all necessary licenses and consents in relation to the Services.

10. CANCELLATIONS. Howard reserves the right to charge Purchaser a 25% restocking fee for cancellation of an order after Howard has commenced fulfillment of the order. Howard reserves the right to cancel an order and charge full purchase price if Purchaser delays shipment for an extended period of time. Howard may, with notice to Purchaser, cancel any order at any time without any liability to Purchaser.

11. INTELLECTUAL PROPERTY RIGHTS. All copyrights, patents, trademarks, trade secrets, know-how and other intellectual property or proprietary rights pursuant to the laws of any jurisdiction worldwide ("IP Rights") associated with or relating to the Products and Services and any related deliverables shall belong solely and exclusively to Howard. Howard will retain all IP Rights used to create, embodied in, used in and otherwise relating to the Products and Services and any of their component parts and related deliverables, and Purchaser shall not acquire any ownership interest in any of Howard's IP Rights. Purchaser shall use Howard's IP Rights only in accordance with these Terms and any instructions of Howard. No license, either express or implied, is granted in any IP Rights of Howard. If Purchaser acquires any IP Rights by operation of law or otherwise, such rights are deemed and are hereby irrevocably assigned to Howard without further action. Purchaser shall, at Howard's expense, execute such documents and do such things as are necessary to enable Howard to protect its IP Rights.

12. CONFIDENTIALITY. All non-public, confidential or proprietary information of Howard, including but not limited to, specifications, samples, patterns, designs, plans, drawings, documents, data, business operations, customer lists, pricing, discounts, or rebates, disclosed by Howard to Purchaser, whether disclosed orally or disclosed or accessed in written, electronic or other form or media, and whether or not marked, designated, or otherwise identified as "confidential" in connection with these Terms is confidential, solely for the use of performing hereunder and may not be disclosed or copied unless authorized in advance by Howard in writing. Upon Howard's request, Purchaser shall promptly return all documents and other materials received from Howard. Howard shall be entitled to injunctive relief for any violation of this Section.

13. COMPLIANCE WITH LAWS. Purchaser represents, warrants and covenants to Howard that it is, and shall remain at all times, in compliance with all laws, ordinances, regulations, rules, codes, constitutions, treaties, common law, governmental orders or other legal requirements or rules, applicable to these Terms, the Products and Services and/or the operation of Purchaser's business in relation hereto, including but not limited to all applicable laws governing export/import (and re-exportation) control and regulation, executive orders pertaining to equal employment opportunity and affirmative action, Section 1502 of the Dodd-Frank Act related to conflict minerals; all provisions of the Copeland "Anti-Kickback" Act (18 U.S.C. § 874) as supplemented by the Department of Labor's regulations (29 C.F.R. part 3); and anti-corruption and bribery laws and regulations, including the Foreign Corrupt Practices Act (15 U.S.C. §§ 78dd-1 and 2).

14. WARRANTY; RETURNS; REMEDIES.

A. PRODUCT WARRANTY

(i) **Howard's Standard Limited Product Warranty.** The product warranties extended by Howard for Howard-branded Products (as well as the limitations, restrictions, exceptions, exclusions, conditions and/or disclaimers applicable thereto) are exclusively as set forth in Howard's Product-specific written standard limited warranty applicable to the purchased Product which is in force when the Product is shipped (the "**Standard Limited Warranty**"). The Standard Limited Warranty may be included with the Product, and is available at <https://www.howardcomputers.com/support/warranties.cfm>. The applicable Standard Limited Warranty may also be obtained by calling 1-888-912-3151 or emailing webmaster@howardcomputers.com. The Standard Limited Warranty, which is adopted and incorporated herein by reference, is for the sole and exclusive use and benefit of the initial end user and is non-transferable and non-assignable.

(ii) **No Warranty for Third-Party Products.** Howard's Standard Limited Warranty does not cover any products, including Products, which are manufactured by a third-party. This includes third-party Products that may be contained or incorporated in, attached to, or packaged together with, Howard-branded Products, as well as those third-party Products sold or provided on a stand-alone basis. For the avoidance of doubt, Howard makes no representations or warranties regarding any third-party Products. All third-party Products sold or provided by Howard are sold or provided by Howard "AS IS".

(iii) **Product Returns.** Howard's return policies and related information applicable to the Products or Services are available at <https://www.howardcomputers.com/support/returnpolicy.cfm> and may also be obtained by emailing webmaster@howardcomputers.com or calling 1-888-912-3151. Said policies and related information are, adopted and incorporated herein by reference.

(iv) **Exclusive Remedy.** THE REMEDIES SET FORTH IN HOWARD'S STANDARD LIMITED WARRANTY SHALL BE PURCHASER'S SOLE AND EXCLUSIVE REMEDY AND HOWARD'S ENTIRE LIABILITY FOR ANY BREACH OF ANY WARRANTY RELATED TO THE PRODUCTS.

B. SERVICES WARRANTY

(i) **Limited Services Warranty.** Howard warrants that it will perform the Services: (a) in a professional and workmanlike manner; and (b) in accordance with the terms and conditions set forth in the applicable Quotation, statement of work or specifications. In the event of a breach by Howard of this limited warranty, Howard shall use reasonable commercial efforts to cure the breach. If Howard determines that it cannot cure the breach, Howard may, at its option, terminate the Services and any applicable statement of work or specification and refund to Purchaser any fees paid by the Purchaser for Services to which such breach relate, less a deduction equal to the fees for receipt or use of Services on a pro-rated basis.

(ii) **Service Warranty Period.** The foregoing remedy shall not be available unless Purchaser provides written notice of such breach within thirty (30) days after provision of the Services to which such breach relates.

(iii) **Exclusive Remedy.** THE REMEDY SET FORTH ABOVE SHALL BE PURCHASER'S SOLE AND EXCLUSIVE REMEDY AND HOWARD'S SOLE AND EXCLUSIVE LIABILITY FOR ANY BREACH OF THE SAID LIMITED SERVICES WARRANTY.

C. WARRANTIES DISCLAIMER. EXCEPT FOR THE EXPRESS LIMITED WARRANTIES FOR THE PRODUCTS AND SERVICES REFERENCED ABOVE, HOWARD MAKES NO WARRANTIES WHATSOEVER CONCERNING THE PRODUCTS OR SERVICES, INCLUDING ANY WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE OR INFRINGEMENT OR PERFORMANCE TO STANDARDS SPECIFIC TO ANY PARTICULAR LOCALE, WHETHER EXPRESS OR IMPLIED OR ARISING BY LAW, COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE OR OTHERWISE, ALL OF WHICH ARE HEREBY EXPRESSLY DISCLAIMED. PURCHASER ACKNOWLEDGES THAT IT HAS NOT RELIED ON ANY REPRESENTATION OR WARRANTY MADE BY HOWARD, OR ANY OTHER PERSON ON HOWARD'S BEHALF, EXCEPT AS SPECIFICALLY DESCRIBED IN THESE TERMS.

WITHOUT LIMITATION TO THE FOREGOING, HOWARD MAKES NO REPRESENTATION OR WARRANTY THAT THE SERVICES OR ANY RELATED DELIVERABLES WILL: (i) MEET BUYER'S REQUIREMENTS; (ii) BE COMPATIBLE WITH ANY SOFTWARE, HARDWARE, SYSTEM OR NETWORK; (iii) BE ERROR-FREE, ACCURATE OR RELIABLE; (iv) BE FREE FROM VIRUSES OR OTHER

HARMFUL COMPONENTS; OR (v) ACHIEVE ANY INTENDED RESULTS. NO ADVICE OR INFORMATION, WHETHER ORAL OR WRITTEN, OBTAINED BY BUYER FROM HOWARD OR OTHERWISE THROUGH THE SERVICES OR DELIVERABLES SHALL CREATE ANY WARRANTY.

15. LIMITATION OF LIABILITY. IN NO EVENT SHALL HOWARD BE LIABLE FOR COSTS OF PROCUREMENT OF SUBSTITUTE PRODUCTS OR SERVICES BY PURCHASER. MOREOVER HOWARD SHALL NOT BE LIABLE FOR CONSEQUENTIAL, INDIRECT, INCIDENTAL, SPECIAL, EXEMPLARY OR PUNITIVE DAMAGES, LOST PROFITS, OR REVENUES OR DIMINUTION IN VALUE, ARISING OUT OF OR RELATING TO THE PRODUCTS OR SERVICES OR A BREACH OF THESE TERMS, WHETHER OR NOT PURCHASER DISCLOSED THE POSSIBILITY OF SUCH DAMAGES IN ADVANCE, OR HOWARD COULD HAVE REASONABLY FORESEEN THE POSSIBILITY OF SUCH DAMAGES, AND REGARDLESS OF THE LEGAL OR EQUITABLE THEORY (CONTRACT, TORT, OR OTHERWISE) UPON WHICH THE CLAIM IS BASED OR THE FAILURE OF ANY AGREED OR OTHER REMEDY OF ITS ESSENTIAL PURPOSE. MOREOVER, IN NO EVENT SHALL HOWARD'S AGGREGATE LIABILITY ARISING OUT OF OR RELATED TO ANY PRODUCTS OR SERVICES OR THESE TERMS EXCEED THE TOTAL OF THE AMOUNTS PAID BY PURCHASER UNDER THE APPLICABLE ORDER.

16. WAIVER. No waiver by Howard of any of the provisions of these Terms is effective unless explicitly set forth in writing and signed by Howard. No failure to exercise, or delay in exercising, any rights, remedy, power or privilege arising from these Terms operates or may be construed as a waiver thereof. No single or partial exercise of any right, remedy, power or privilege hereunder precludes any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

17. RELATIONSHIP OF THE PARTIES; NO THIRD-PARTY BENEFICIARIES. The legal relationship between the Parties shall be that of buyer and seller, i.e., independent contractors, and shall not be understood so that either Party is deemed a partner or an agent of the other Party, nor will it confer upon either Party the right or power to bind the other Party in any contract or to the performance of any obligations as to any third party. These Terms are for the sole benefit of the Howard and Purchaser and their respective successors and permitted assigns, and nothing herein, express or implied, is intended to or shall confer upon any other person or entity any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of these Terms.

18. FORCE MAJEURE. Howard shall not be liable or responsible to Purchaser, nor be deemed to have defaulted or breached these Terms, for any failure or delay in fulfilling or performing any term when and to the extent such failure or delay is caused by or results from acts or circumstances beyond the reasonable control of Howard including, without limitation, acts of God, flood, fire, earthquake, explosion, governmental actions, war, invasion, or hostilities (whether war is declared or not), terrorist threats or acts, riot, or other civil unrest, national emergency, revolution, insurrection, epidemic, lockouts, strikes or other labor disputes (whether or not relating to either Party's workforce), or restraints or delays affecting carriers or inability or delay in obtaining supplies of adequate or suitable materials, materials or telecommunication breakdown or power outage.

19. GOVERNING LAW; VENUE; LIMITATIONS PERIOD. These Terms shall be governed by and construed in accordance with the laws of the State of Mississippi, without giving effect to its principles of conflicts of laws, and all disputes that may arise between the Parties shall be referred exclusively to the Chancery Court of the Second Judicial District of Jones County, Mississippi or the United States District Court for the Southern District of Mississippi located in Hattiesburg, Mississippi. No action related hereto may be brought more than two (2) years after it accrues.

20. SURVIVAL. The provisions of these Terms, which by their nature should survive termination, cancellation, completion or expiration of these Terms, shall continue as valid and enforceable notwithstanding any such termination, cancellation, completion or expiration.

21. SEVERABILITY. If any provision of these Terms is invalid or unenforceable under any statute, regulation, ordinance, executive order, or other rule of law, the term will be deemed reformed or deleted as the case may be, but only to the extent necessary to comply with applicable law. The remaining provisions will remain in full force and effect.

22. AMENDMENT and MODIFICATION. These Terms may only be amended or modified in a writing stating specifically that it amends these Terms and is signed by an authorized representative of each Party.