



STANDARD TERMS AND CONDITIONS OF SALE AND WARRANTY

- 1. ENTIRE AGREEMENT.** These Terms and Conditions of Sale establish: (i) the rights, obligations, and remedies of Tropic Supply, Inc. ("Seller") and Buyer, (ii) form the entire agreement between Seller and Buyer and (iii) apply to all transactions between Seller and Buyer unless otherwise specifically agreed to in writing by both parties. All prior oral or written agreements, including but not limited to terms in Buyer's purchase order, which are different from or in addition to these Terms and Conditions of Sale are not binding on Seller unless accepted in writing by Seller's duly authorized representative.
- 2. PRICE.** All prices are subject to change unless otherwise noted on Seller's quotation. Buyer will be invoiced at prices in effect at the time of shipment. All taxes, transportation costs, duties and other charges are in addition to quoted prices. The amount of any sales, excise or other taxes, if any, applicable to the goods shall be added to the purchase price and shall be paid by Buyer unless Buyer provides Seller with a valid tax exemption certificate.
- 3. QUOTATIONS.** Quotes expire within 72 hours unless otherwise stated on the quotation and are subject to availability and credit approval.
- 4. DELIVERY.** Delivery dates by Tropic Supply, Inc. are estimates only and are not guaranteed. Tropic Supply, Inc. will make a good faith effort to deliver in accordance with delivery estimates. Under no circumstances will Seller be liable for any special, consequential, incidental, indirect, or liquidated damages, losses, or expenses of any kind arising from any shipping delays or failure to give notice of any shipping delay.
- 5. SHIPMENT.** All Products are shipped at the Buyer's risk and are shipped FOB shipping point such that all freight costs and expenses and any other related charges for the transportation of the Products shall be paid by the Buyer. Risk of loss will transfer to Buyer upon tender of goods to Buyer, Buyer's representative, common carrier or freight forwarder. If Buyer causes or requests a delay of shipment, or if Seller ships or delivers an order erroneously as a result of inaccurate, incomplete, or misleading information supplied by Buyer or Buyer's agents or employees, all storage and other additional costs and risk will be borne by Buyer.
- 6. SPECIAL ORDERS.** Non-stock material ordered for established credit customers requires a signed acknowledgment, a nonrefundable deposit, and will be invoiced upon receipt by Tropic Supply, Inc. Non-stock material ordered for COD customers requires 100% deposit (including freight). Any deviations from the above must be agreed to in writing by both Buyer and Seller. Cancellation of an order, in part or full, will not be accepted once the order is confirmed by the manufacturer unless Buyer receives written consent from Seller and Buyer pays all applicable cancellation and/or re-stocking fees.
- 7. RETURNS.** Buyer may return any good which Seller stocks and which is not a special order item if: (i) it is in new condition, suitable for resale in its undamaged original packaging and with all original parts; and (ii) it has not been used, installed, modified, rebuilt, reconditioned, repaired, altered or damaged. All returns are subject to a re-stocking fee, unless otherwise agreed to by Seller. Special orders or non-stock goods may be returned if the manufacturer is willing to accept the return and Buyer agrees to reimburse Seller for any restocking or cancellation fees charged by the manufacturer.
- 8. INSPECTION AND ACCEPTANCE.** (i) TROPIC SUPPLY, INC. DELIVERY: Buyer shall inspect the Product upon delivery and shall notify Tropic Supply, Inc. of any damage or shortage within 24 hours. Failure to provide notice within 24 hours shall be deemed an acceptance in full of the delivery. (ii) PICK-UP: Buyer shall inspect the Product upon receipt and notify Tropic Supply, Inc. of any damage or shortage prior to leaving the premises. For equipment purchases, Buyer has the option to inspect Product for damages or "accept as is" without inspection by signing the Customer Inspection Refusal Box on the Pick Ticket provided. If Buyer chooses "Accepted As Is", then Buyer waives the right to claim Product damage. (iii) COMMON CARRIER DELIVERY: Buyer shall inspect the Product upon receipt for shortage and/or damage. In the event of either, Buyer must document such on the Common Carrier delivery receipt and initiate a claim directly with the Common Carrier. Product cannot be returned to Tropic Supply, Inc. for replacement nor credit.
- 9. PAYMENT TERMS.** Net amounts on approved credit accounts are due within 30 days of Invoice Date. These terms apply to partial as well as complete shipments. Payments not made in accordance with these terms are subject to a late payment charge equal to one and a half percent (1.5%) per month (18% per year) or the highest rate allowed by law, whichever is lesser, from the date payment is due until it is paid. Tropic Supply, Inc. reserves the right to refuse shipment or to ship COD where an account is unpaid or where Tropic Supply, Inc., in its sole discretion, determines that Buyer's outstanding indebtedness exceeds reasonable credit allowance. In addition, Tropic Supply, Inc. shall have the right to pursue any remedies available at law or as provided herein.
- 10. CREDIT APPROVAL AND ACCURACY INFORMATION.** All orders made on credit are subject to current credit approval and are governed by the terms listed in the Tropic Supply, Inc. Credit Application. From time to time, Tropic Supply, Inc. may review Buyer's creditworthiness. Buyer agrees to provide Tropic Supply, Inc. with all credit information Tropic Supply, Inc. reasonably requests, and Buyer represents and warrants to Tropic Supply, Inc. now, and each time an order is placed, that all information provided to Tropic Supply, Inc. is true and correct, and that no necessary information has been omitted. Tropic Supply, Inc. may refuse to accept an order or refuse shipment if at any time Buyer does not meet Tropic Supply, Inc.'s current credit requirements.
- 11. WARRANTY.** Tropic Supply Inc., extends to the Buyer and/or End-User all warranties, if any, granted by the manufacturer. Seller assigns to Buyer any and all manufacturer warranties and will assist Buyer to obtain repair, replacement, or other applicable remedy for a breach of warranty made known to Seller during the warranty period. Tropic Supply, Inc. will administer and promptly process all warranties in accordance with the manufacturer's specific warranty policies and procedures. NO WARRANTY OF MERCHANTABILITY OR FITNESS, AND NO OTHER WARRANTIES OR REPRESENTATIONS, EXPRESSED OR IMPLIED, ARE MADE BY TROPIC SUPPLY, INC. WITH RESPECT TO ANY PRODUCT. TROPIC SUPPLY, INC. SHALL NOT BE RESPONSIBLE FOR ANY LABOR CHARGES OR CONSEQUENTIAL DAMAGES DUE TO DEFECTS THEREIN. TROPIC SUPPLY, INC.'S SOLE RESPONSIBILITY IS TO HONOR THE MANUFACTURER'S WARRANTY, IF ANY IS FURNISHED, WITH RESPECT TO DEFECTIVE PRODUCT, PROVIDED THAT WRITTEN NOTICE SHALL BE GIVEN TROPIC SUPPLY, INC. WITHIN THE MANUFACTURER'S WARRANTY PERIOD. ALL VERBAL STATEMENTS, REPRESENTATIONS AND PROMISES ARE MERGED HEREIN. NOTE - The manufacturer's warranty does not cover Product that has been damaged by improper usage, modifications, physical or operating environment, maintenance, storage, application, installation, or careless handling or tampering. If the warranty is not honored by the manufacturer then the Buyer is responsible for the cost of the repair or replacement.
- 12. LIMITATION OF LIABILITY.** Neither Party shall be liable to the other for special, incidental, consequential, punitive, statutory, or indirect damages, including but not limited to loss of profits, revenues, capital, business opportunity or downtime costs, arising out of the sale of Products to Buyer or use of Products by Buyer. This limitation shall apply regardless if the claimed damages arise from breach of contract, breach of warranty, tort, strict liability or any other legal theory. Buyer agrees to indemnify and save harmless Tropic Supply, Inc. from any and all loss or damage or claim for loss or damage to persons or properties caused by reason of the use, possession or operation of the Product.
- 13. FORCE MAJEURE.** If Tropic Supply, Inc. is rendered unable, wholly or in material part, by reason of Force Majeure to carry out any of its obligations hereunder, then such obligations shall be suspended. "Force Majeure" shall include, but not be limited to, acts of God, laws and regulations, strikes, lightning, fire, food, washout, storm, communication lines failure, delays of Buyer or Buyer's subcontractors, breakage or accident to equipment or machinery, wars, police actions, embargos, and any other causes that are not reasonably within Tropic Supply, Inc.'s control.
- 14. NON-WAIVER.** The failure of either Seller or Buyer to insist upon the strict performance of any of these Terms and Conditions of Sale will not be deemed to be a waiver of any of the rights or remedies of Seller or Buyer, nor of its right to insist upon strict performance of such terms or of any other term in the future.
- 15. CHANGES TO TERMS AND CONDITIONS.** These terms and conditions are subject to change without notice.