



Terms & Conditions

- 1. Applicability.** These Terms and Conditions shall govern any sale of goods (“Goods”) or provision of services (“Services”) by (A) Lafferty Equipment Manufacturing, LLC (“Lafferty”) (B) Lavo Solutions, LLC (“Lavo”) or (C) Knight LLC (“Knight” and, together with Lafferty and Lavo, each “Seller”). Any contract or agreement between Seller and a buyer of Seller’s Goods or Services (“Buyer”) shall consist exclusively of, and all sales by Seller are subject only to, these Terms and Conditions, Seller’s quotations and order acknowledgements, any other document issued by Seller, and any written agreement signed by both Buyer and Seller.
- 2. No other Terms and Conditions.** Seller hereby objects to and rejects any and all additional or contrary terms and conditions in Buyer’s purchase order and in any other document issued by Buyer, none of which shall be part of any contract between Seller and Buyer or otherwise binding on Seller. Any acknowledgement by Seller of an order from Buyer, or reference to any such order, or performance pursuant to any such order, shall not be deemed acceptance by Seller of any additional or contrary terms and conditions contained in any document issued by Buyer. Any oral agreements or understandings are expressly excluded.
- 3. No Waiver or Modification Except in Writing.** Seller shall not be deemed to have waived these Terms and Conditions even if Seller fails to object to provisions incorporated by reference or attached to Buyer’s purchase order form, which provisions are hereby expressly rejected. Buyer acceptance or use of Goods or Services shall constitute its acceptance of these Terms and Conditions. No Modification or addition to these Terms and Conditions shall be effective unless agreed to in a written undertaking signed by Seller.
- 4. Order Acceptance.** Orders must be submitted in writing unless Seller allows an order over the phone, fax or by some other method. Buyer’s orders shall not bind Seller until accepted by Seller in writing. Seller’s quotations automatically expire 30 days after issuance and may be reinstated only by Seller in writing. Orders may not be modified or cancelled by Buyer, in whole or in part, without Seller’s prior written consent. Seller reserves the right to cancel any order, in whole or in part, at any time unless such order is designated as firm or non-cancellable on an order confirmation delivered by Seller.
- 5. Prices.** All prices are quoted in U.S. dollars and do not include sales, use, excise or other taxes, which will be added to Buyer’s invoice to the extent paid by Seller. Prices for Goods are FOB from the point of shipment at Seller’s plant or warehouse. All prices are based on the quantities quoted and any change in such quantities may void the quoted price for Goods or Services. No discount will be allowed unless specifically agreed to in writing by Seller. If a change in price has occurred prior to Seller issuing an order confirmation, Seller will apply the new price to the Goods or Services ordered. The price indicated on Seller’s order confirmation shall be considered the price (exclusive of shipping charges) agreed between Buyer and Seller. Shipping charges will be set forth on the final invoice for an order (notwithstanding the fact that shipping charges may be reflected as \$0 or as an estimated amount on any quote, order confirmation or other document issued prior to the final invoice.)

6. Delivery. Unless otherwise noted in writing on an order confirmation, title and risk of loss shall pass to Buyer at the point of shipment from Seller's plant or warehouse. Buyer assumes all risk once Seller releases Goods for shipment and is solely responsible if Goods are damaged or lost while in transit. All scheduled delivery dates are estimates only, are not guaranteed by Seller and are subject to change without liability. Dates for shipment or delivery of Goods or Services may not be postponed by Customer without Seller's consent. Additional charges may be imposed by Seller due to delays caused by Buyer. Seller will not be liable for any damages, loss, fault, expense or freight charges arising out of delays in shipment. Buyer is responsible for all insurance and freight costs and any such charges paid by Seller will be invoiced to Buyer. Seller reserves the right to refuse to ship Goods or provide Services to any person or entity or destination if Seller deems, in its sole discretion, doing so would be or is likely to be unlawful.

7. Acceptance and Returns. Buyer's acceptance of Goods and Services occurs upon delivery. Seller does not accept returns of custom-built Goods (as used herein, "custom-built Goods" means any Good that does not have a standard part number.) Returns on all other unused Goods are allowed up to 30 days after purchase at the sole discretion of Seller, provided **Buyer has first obtained a return authorization number for the Goods Buyer wishes to return by calling Seller prior to returning such Goods.** No returns are permitted more than 30 days after purchase. Return authorization numbers are good for 15 days from the date of issuance. All Goods must be returned freight prepaid and are subject to a minimum re-stocking fee of 15% of the sale price or \$25.00, whichever is greater. Goods returned for repair and found to have no defects may be subject to an inspection charge.

8. Warranty. Seller warrants solely to the original Buyer of its (A) Goods that Seller's Goods will be free from material defects in material and workmanship for a period of one (1) year from the date of purchase for most assembled product and for a period of two (2) years from date of purchase for electronic circuit boards and (B) Services that Seller's Services will be performed in a workmanlike manner for a period of 30 days from the date of performance; provided, however, that the foregoing warranty does not cover (i) component parts, such as rubber and synthetic rubber hoses and parts, or O-rings, squeeze tubes, roller blocks and other plastic components, (ii) Goods to the extent they include parts or materials provided by Buyer, (iii) electric pumps, air pumps and other electrical components, (iv) Goods that have been modified following delivery (unless those modifications have been authorized in writing by Seller), (v) Goods that were subjected to improper handling, storage, installation, operation, or maintenance or that were subject to a power surge or similar event or (vi) Goods that fail as a result of non-Seller replacement parts.

Seller's warranty applies only to the replacement or repair of effected Goods when returned to the factory with a return authorization number, freight prepaid and found to be defective upon factory inspection. If Seller, in its sole discretion, determines that such Goods are defective, Seller will, at its election, either repair or replace the defective Goods without charge or offer a refund. Warranty claims are subject to the final judgment of Seller and may be approved or denied by Seller in its sole discretion.

Any warranty claim by Buyer must be submitted in writing. Seller's sole obligation in the event of a breach of warranty is to replace or repair the impacted parts or offer a refund after they have been returned to Seller's factory with a return authorization number, freight prepaid and found to be defective upon factory inspection. If Seller, in its sole discretion, determines that Goods are defective, Seller will repair or replace the Goods or offer a refund, at Seller option, without charge. If Seller determines that defects do not impair service, then such defects shall not be a cause for rejection or

recovery under Seller's warranty. Seller's sole obligation with respect to breach of warranty with respect to Services will be to refund the fees for such Services or reperform the Services, at Seller's election.

9. Disclaimer of Other Representations and Warranties. EXCEPT FOR THE LIMITED WARRANTY EXPRESSLY SET FORTH IN SECTION 7, SELLER MAKES NO REPRESENTATION OR WARRANTY WHATSOEVER, EXPRESS OR IMPLIED, REGARDING SELLER'S GOODS OR SERVICES. SELLER MAKES NO REPRESENTATION OR WARRANTY REGARDING THE MERCHANTABILITY, SUITABILITY OR FITNESS FOR A PARTICULAR USE OR PURPOSE OF ANY GOODS OR SERVICES. STATEMENTS AND DATA RELATING TO GOODS IN SELLER'S PROMOTIONAL MATERIALS OR ON ITS WEBSITE ARE NOT INTENDED TO DEFINE THE PERFORMANCE OF THE GOOD IN ACTUAL USAGE OR IN COMBINATION WITH OTHER EQUIPMENT OR PROCESSES.

10. Limitation of Liability. IN NO EVENT SHALL SELLER BE LIABLE FOR ANY INCIDENTAL, INDIRECT, EXEMPLARY, SPECIAL OR CONSEQUENTIAL DAMAGES WHATSOEVER (INCLUDING DAMAGES FOR LOST PROFITS, LOST INCOME OR INTERRUPTION OF BUSINESS) THAT MAY BE SUFFERED OR INCURRED BY BUYER OR ANY PERSON OR ENTITY AFFILIATED WITH BUYER, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. IN ADDITION, THE LIABILITY OF SELLER FOR LOSSES, DAMAGES, LIABILITIES, SUITS AND CLAIMS ARISING OUT OF OR RELATED TO ANY GOODS OR SERVICES, ANY PURCHASE ORDER OR THESE TERMS AND CONDITIONS, REGARDLESS OF THE PERSON OR ENTITY BRINGING SUCH ACTION, SHALL NOT EXCEED, IN THE AGGREGATE, THE AMOUNT PAID (EXCLUDING PAYMENTS FOR TAXES AND EXPENSES) BY BUYER FOR THE GOODS OR SERVICES GIVING RISE TO SUCH LIABILITY.

11. Indemnity. Buyer shall reimburse, indemnify and hold harmless Seller for, from and against all damages, costs, claims, expenses (including reasonable attorneys fees) and other liabilities in connection with (A) Buyer's use of Goods or Services, (B) breach of a third party's intellectual property rights in connection Goods made to Buyer's specifications, (C) injury to persons or property caused by Buyer or (D) Buyer's breach of applicable law.

12. Terms of Payment. Open account payment terms are net 30 days. Open account terms are granted to U.S. and Canada Buyers that establish credit with Seller. If Buyer is interested in establishing credit with Seller, Buyer must contact Seller about a credit application. If Buyer has not established credit, then all orders will be shipped C.O.D. or on a pre-paid basis. All international orders are shipped on a pre-paid basis.

12(b) Credit Card Orders. By placing an order on credit card the customer agrees to a freight pre-authorization hold that will be calculated as a percentage of the order total. The percentages will be 15% domestic, 25% international for orders of \$100 or more. All orders less than \$100 require a minimum \$20 freight pre-authorization.

13. Packing and Crating. Except as provided on the face hereof or as hereinafter provided, prices include packing for Goods destined within continental limits of the United States excluding Hawaii and Alaska. An additional charge may be made for crating and for export packing or for additional domestic, international or special needs at the discretion of the Seller.

14. Intellectual Property and Data. All patents, trademarks or other intellectual property related to Goods or Services remain the sole and exclusive property of Seller. To the extent any Goods or Services include software, such software is not sold to Buyer or its customers, but is only licensed on a limited, non-exclusive basis for Buyer's internal use only in the form delivered by Seller. Buyer shall not duplicate, distribute, modify, reverse-engineer, or otherwise derive

any software code unless authorized in writing by Seller. Unless otherwise agreed in writing, Seller shall own and retain all rights, title and interest to any prototypes, schematics, designs, samples, tools or other documentation that may be prepared in connection with Seller's Goods or Services.

15. Export Controls. Buyer shall be solely responsible for obtaining all approvals, authorizations licenses and permits, complying with all laws, rules and regulations, and making all arrangements related to the export of Goods from the United States and/or the import of Goods into a country outside the United States. Goods and related technical information, data, documents and materials are subject to export controls under U.S. Export Administration Regulations and U.S. Department of the Treasury embargo regulations. Buyer shall strictly comply with all such export controls, shall fully cooperate with Seller in any official or unofficial investigation, audit or inspection that relates to any of such controls, and shall not export, re-export, divert or transfer, directly or indirectly, any Goods or related technical information, data, documents or materials to any party or destination or for any use that is subject to an embargo or otherwise prohibited pursuant to such controls, unless and until Buyer obtains all required U.S. governmental and regulatory approvals, authorizations, licenses and permits.

16. Miscellaneous. These Terms and Conditions may only be added to, modified, superseded or otherwise altered by a written instrument, signed by an officer of Seller. These Terms and Conditions and any related purchase order or other documentation shall be governed by and interpreted in accordance with the laws of the State of Delaware. If Buyer resells Goods purchased from or serviced by or through Seller: (a) Buyer shall be solely responsible for any and all claims, liabilities and obligations asserted against Buyer or Seller by Buyer's customers and other users of Goods and (b) Seller shall have no liability or responsibility for any such claims, liabilities or obligations. In the event that any Goods purchased from or serviced by Seller are incorporated or installed by Buyer in, or combined by Buyer with, a non-Seller product or component: Buyer shall be solely liable, obligated and responsible for such Goods and all claims related thereto and Seller shall have no risk, liability, obligation or responsibility of any kind with respect to any such Goods or any claims related thereto.