

MICROSONIC, INC.
TERMS AND CONDITIONS OF SALE

These terms and conditions (these "Terms and Conditions") shall apply to all sales of product and services ("Product") by and between you, the Purchaser ("Purchaser"), and Microsonic, Inc. ("Seller").

1. **SCOPE, APPLICABILITY, ACCEPTANCE:** All Product sold by Seller to Purchaser shall be made in accordance with these Terms and Conditions. These Terms and Conditions (a) constitute an offer by Seller to Purchaser to sell the Product for the Purchase Price (as defined in Section 2 hereof) and pursuant to the terms set forth herein and (b) are not an acceptance of any terms or conditions or any offer by Purchaser. Issuance of a purchase order or acceptance of the Product by Purchaser constitutes acceptance of these Terms and Conditions. Any additional or different terms proposed by Purchaser, whether in a purchase order or otherwise, are expressly rejected by Seller and are not part of these Terms and Conditions.
2. **PURCHASE PRICE; ADJUSTMENTS; PAYMENT TERMS:** The purchase price (the "Purchase Price") for the Product shall be the total, gross amount that is set forth on Seller's sales invoice that relates to the Product (the "Invoice"). The prices set forth in the forgoing Price List are subject to change at any time and without notice. Payment of the Purchase Price is due from Purchaser upon receipt and shall be **paid in full within thirty (30) days** following tender of delivery of the Product by Seller to avoid additional charges being applied. The parties agree that all payments still owing after thirty (30) days can bear interest at a monthly rate of one and one-half (1.5%) percent or the maximum rate allowed by law, whichever is lesser. The Purchase Price does not include sales, use or similar state or local taxes, import fees or duties, all of which are to be paid by Purchaser in addition to the Purchase price provided by Seller.
3. **SHIPMENT, TITLE AND DELIVERY, RISK OF LOSS:** Every reasonable effort will be made by Seller to respect Purchaser's request as to shipping dates preferred and delivery lines; provided, however, that Purchaser expressly agrees and acknowledges that Seller shall have the sole and exclusive right to determine the carrier(s) (the "Carrier") that will be used to ship the Product. Title to the Product and liability for loss or damage thereto shall pass to Purchaser upon Seller's delivery of the Product to the Carrier for shipment to Purchaser (FOB Origin), and any loss or damage thereafter shall not relieve Purchaser from any obligation hereunder. Purchaser shall be liable for costs of shipping, insurance and transportation and for all taxes and any other expenses incurred.
4. **MICROSONIC POLICY:** All materials used by Seller are of the highest quality available. Workmanship is guaranteed in accordance with the below Section 5, and is unexcelled with rigid quality control to assure Purchaser the absolute finest Product anywhere. Seller assures high quality and modern up-to-date techniques are used in each Product.
5. **LIMITED WARRANTY/GUARANTEE:** Custom ear pieces are guaranteed for a period of up to six (6) months from the date of delivery of the Product to Purchaser from and against: (i) feedback, (ii) defective materials, and (iii) workmanship. Any warranty claims must be submitted in writing to Seller on or before the expiration of the aforesaid six (6) month period. **THERE WILL BE NO CHARGE FOR A REMAKE OF THE PRODUCT UNDER THIS GUARANTEE SO LONG AS THERE IS NO CHANGE IN THE MATERIAL OR TYPE OF EARMOLD.** Seller does not guarantee the Product against the growth of a child. A charge of \$10.00 will be made for changes in material or style of Product. **THERE WILL BE A CHARGE OF \$9.00 FOR ANY** ACCOUSTIC OPTION CHANGES (I.E. S.A.V. , LIBBY HORN, C.F.A., BORE OR VENTING). Terms for validating returned and/or rejected Products are described in Section 7.
6. **DISCLAIMER OF WARRANTIES; LIMITATIONS OF LIABILITY:** Seller does not warrant the adaptability or fitness for any particular of the goods sold hereunder. SELLER EXTENDS NO WARRANTIES, EITHER EXPRESS OR IMPLIED, CONCERNING THE PRODUCT, INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE. IN NO EVENT SHALL SELLER BE LIABLE TO PURCHASER, ANY USER OF THE PRODUCT, OR ANY THIRD PARTY FOR LOST PROFITS, LOSS OF BUSINESS, INCIDENTAL, CONSEQUENTIAL, SPECIAL, PUNITIVE, OR OTHER DAMAGES WHATSOEVER ARISING FROM THE USE OR PERFORMANCE OF THE PRODUCT, OR FROM THE NON-DELIVERY, DELAYED DELIVERY, DAMAGE OF PRODUCT OR OTHERWISE. IN NO EVENT WILL SELLER'S LIABILITY EXCEED THE ACTUAL PRICE PAID BY PURCHASER FOR THE PRODUCT. PURCHASER EXPRESSLY ASSUMES ALL RESPONSIBILITY FOR DETERMINING THE FITNESS OF SUCH PRODUCT FOR PURCHASER'S INTENDED USE. ANY TECHNICAL INFORMATION, PRODUCT LITERATURE, SELLER TECHNICAL ASSISTANCE OR OTHER INFORMATION IS GIVEN TO AND ACCEPTED BY PURCHASER AT ITS OWN RISK AND IS NOT A WARRANTY BY SELLER TO PURCHASER
7. **INSPECTION; REJECTION OF NON-CONFORMING PRODUCT:** Purchaser must promptly inspect the Product upon delivery. If the Product furnished by Seller fails to conform to Purchaser's specifications, Seller's exclusive liability shall be (at Seller's option) to repair, replace or credit Purchaser's account for any such Product which are returned by Purchaser within warranty guidelines. ALL AUXILIARY ITEMS REQUIRE A RETURN AUTHORIZATION NUMBER THAT CAN BE OBTAINED BY CALLING 1-877-376-7139. All returns are subject to a 15% restocking fee. Seller shall be entitled to examine rejected Products by Purchaser to confirm that the alleged deficiencies actually exist and were not caused by accident, misuse, neglect, alteration, improper installation, unauthorized repair or modification, or improper testing. **AT NO TIME SHALL CUSTOM EARMOLDS BE RETURNED IN EXCHANGE FOR CREDIT.**
8. **SELLER'S REMEDIES:** Seller shall have all the rights and remedies specified in the Uniform Commercial Code as adopted in the Commonwealth of Pennsylvania, and any other remedy allowed by law or in equity. All such rights and remedies are cumulative.
9. **COLLECTION COSTS:** If Seller retains the services of counsel in connection with enforcing Purchaser's obligations hereunder, reasonable attorneys' fees shall be paid by Purchaser to Seller. Purchaser shall pay all costs, including such attorneys' fees, incurred by Seller in connection with any proceeding to enforce Purchaser's obligations hereunder.
10. **GOVERNING LAW:** These Terms and Conditions shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania without regard to its conflicts of law principles.