



CONDITIONS OF SALE

1. Definitions:

For purposes of this agreement, the following terms have the following meanings:

- (i) "Seller" means Magnetic Automation Corp.
- (ii) "Purchaser" means the person or entity purchasing goods from the seller.

2. Acceptance

- 2.1 No offer of sale made by the seller shall be deemed binding on the seller until a written order accepting the offer of sale and agreeing to be bound by these conditions of sale is received by the seller from the purchaser.
- 2.2 No variation or cancellation of any of these conditions of sale shall be binding on the seller unless assented to by it in writing.
- 2.3 If a conflict arises between these conditions and those which may be contained in, or implied by, any document forming part of any inquiry, specification, order or contract, then these conditions shall prevail except insofar as they are expressly varied by the seller in writing or otherwise by law.
- 2.4 Every order by the purchaser shall be in writing and shall state:
 - (i) the date on which the order is given;
 - (ii) the date on which the goods are to be delivered ("the delivery date");
 - (iii) the purchaser's agreement to be bound by these conditions of sale.

3. Prices:

- 3.1 All prices are strictly net unless otherwise stated.
- 3.2 The prices contained in all offers of sale made by the seller do not include the cost of delivery or packaging, the cost of which shall be paid by the purchaser.
- 3.3 The purchaser shall be liable to pay all taxes, duties and surcharges imposed in respect of or arising out of the sale of the goods.

4. Terms of Payment:

Unless otherwise expressly agreed to in writing by the parties, payment in full for all goods purchased shall be made within 30 days of the date of delivery. The seller reserves the right to require a deposit to be paid in part consideration for the goods sold prior to the delivery of the goods. If the seller requires a deposit to be paid, no goods shall be delivered until such deposit is paid in full. If the purchaser delays in respect of any payment due to the seller, then the seller shall have the right, in addition to all other rights to which it is entitled at law, to charge interest on the overdue amount at 1.5% per month.



5. Delivery:

Subject to the conditions contained herein, the seller agrees to use its best endeavors to ensure that the goods are delivered to the purchaser on the delivery date. The seller shall not be bound by any delivery date included in or implied by any document forming part of any inquiry, specification, order, or contact. To the extent permitted by law, the seller shall not be liable to the purchaser for any loss of profits or any other loss or damage of any kind whatsoever suffered by the purchaser arising out of any matter or thing in respect of, or connected with, the delivery or non-delivery of the goods. The seller will engage a carrier to deliver the goods to the purchaser at the purchaser's place of business or such other address as specified in the written order. All costs and expenses of carriage shall be borne by the purchaser. From the time of the dispatch from the seller's premises and until the delivery of the goods, the risk of any loss or damage to or deterioration of the goods, howsoever arising, shall be borne by the purchaser. Delivery shall be made at the risk of the purchaser who shall arrange his own insurance.

6. Return of Goods:

The seller reserves the right to refuse to credit the purchaser for any goods returned if the seller considers the reasons for return to be unsatisfactory. Subject to the preceding sentence, the purchaser may return the goods within 7 days of delivery if the goods are in an unsoiled, undamaged, new, and re-saleable condition. The seller charges a minimum 15% restocking fee on all equipment that is returned. The credit will be issued only after the equipment is inspected and determined by an Employee of the seller to be in unsoiled, undamaged, new, and re-saleable condition. The purchaser will pay for all freight charges to the seller's plant in Rockledge Florida. Hidden damage to equipment that occurs in transit will not be credited. Should used equipment be returned, no credit will be issued and the purchaser will be responsible for freight charges back to its location. Any goods made to special order cannot be returned or credited except by prior express written agreement between the parties.

7. Property:

Notwithstanding that the goods are in whole or in part at the risk of the purchaser, property and title in the goods supplied to the purchaser shall not pass until the seller has actually received full payment for the goods. The purchaser shall be deemed to have made no payment at all if the purported payment contravenes any law in respect of bankruptcy, company liquidation, or insolvency generally. In the event of insolvency of the purchaser or of execution being levied against any of the goods of the purchaser or of the purchaser being placed in liquidation whether voluntary or otherwise, the seller may terminate the contract of sale of the goods.



8. Limited Warranty

The seller warrants that all products manufactured by it will be free from any defects in material and workmanship for the warranty periods described below under normal operating conditions when installed in accordance with the seller's installation instructions, normal wear and tear excepted. The purchaser should contact the seller if it is uncertain whether specific parts are covered under warranty for a particular product.

The warranty period for the following products of the Seller are:

Vehicle Gates	2 years or 2 million cycles whichever occurs first
Revenue equipment (including software)	1 year
Pedestrian gates	1 year or 2 million cycles whichever occurs first
Loop Detectors	1 year

The warranty period shall start from the date of shipment of the product by the seller. In no event shall the limited warranty provided hereunder for any product extend for more than 2 years from the date the product was shipped by the seller.

During the warranty period, the seller will repair or replace at its option, any of its products which have been found to be defective. A Return Material Authorization Number (RMA) must be obtained before product is returned, and products must be shipped freight prepaid to the seller at 3160 Murrell Rd.; Rockledge, FL 32955. The seller is not responsible for removal, installation, or any incidental expenses incurred in shipping the product to or from the seller. This limited warranty extends only to the original purchaser of the product from the seller or the seller's authorized Distributor / Dealer and shall not cover repair, labor or replacement of parts that are by nature expendable. No Distributor / Dealer of the seller shall have the authority to bind the seller to any warranty beyond that extended therein. All products of the seller are subject to design and/or appearance modifications, which are production standards at the time of shipment. The seller may, but shall not be required, to, modify or update products shipped prior to a current production standard.

THE SELLER OFFERS NO OTHER WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

THE LIMITED WARRANTIES OFFERED HEREIN ARE THE SOLE AND EXCLUSIVE REMEDIES AVAILABLE TO THE PURCHASER. CORRECTION OF DEFECTS, IN THE MANNER AND FOR THE PERIOD OF TIME DESCRIBED HEREIN, SHALL CONSTITUTE THE COMPLETE FULFILLMENT OF ALL LIABILITIES OF THE SELLER TO THE PURCHASER WITH RESPECT TO THE COVERED PRODUCT, AND SHALL CONSTITUTE FULL SATISFACTION OF ALL CLAIMS, WHETHER BASED ON CONTRACT, NEGLIGENCE, STRICT LIABILITY OR OTHERWISE. IN NO EVENT SHALL THE SELLER BE LIABLE FOR ANY LOSS OF PROFITS OR ANY INDIRECT, CONSEQUENTIAL, INCIDENTAL, SPECIAL OR PUNITIVE DAMAGES ARISING OUT OF THE SELLER'S BREACH OF THIS LIMITED WARRANTY, OR ARISING OUT OF THE PURCHASER'S INABILITY TO USE THE COVERED PRODUCT, EVEN IF THE SELLER HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. Some states do not allow the exclusion or limitation of incidental or consequential damages, do the above limitation may not apply to a particular purchaser. This limited warranty gives the purchaser specific legal rights. The purchaser may also have other rights, which vary from state to state.



9. Governing Law:

The parties agree that the formation, construction, performance, validity, and all aspects whatsoever of these conditions shall be governed by the internal laws of the State of Florida, without regard to conflicts of laws or choice of legal provisions thereof. The purchaser irrevocably submits to the non-exclusive jurisdiction of any United States federal or Florida state court located in Brevard County, Florida, in any action or proceeding arising out of or relating to these conditions. Nothing herein shall limit the right of the seller to bring proceedings against the purchaser in the courts of any other jurisdiction. Any judicial proceedings by the purchaser involving any matter in any way arising out of or relating to these conditions shall be brought only in a court in Brevard County, Florida.

The purchaser will be responsible for all/any legal costs incurred, should legal proceeding be taken.

10. Notice:

Any notice or other communication to be given or served upon the purchaser including any invoice, receipt, or inventory may be given or served to or upon the purchaser personally or by ordinary prepaid post addressed to the purchaser at the last address of the purchaser known to the seller and if posted shall be deemed to have been received by the purchaser on the seventh day following the date on which it shall have been posted.

11. General:

The validity and enforceability of the terms and conditions contained herein shall not be affected by the invalidity of any part of the said terms and conditions and the said invalid parts shall be severed from the remainder of the contractor. The singular shall include the plural, a reference to gender shall include all genders, and a reference to a person shall include companies. No party shall be deemed to have waived any of its rights or remedies hereunder unless such waiver is specific and in writing. No delay or omission by any party in exercising any of its rights or remedies hereunder shall constitute a waiver thereof, or shall constitute any further waiver thereafter. All rights and remedies of a party are cumulative and concurrent and the exercise of one right or remedy shall not be deemed a waiver or release of any other right or remedy.