

Power Mechanical Incorporated
Sales Terms and Conditions
Effective July 27, 2016

1. Terms and Conditions Control

The following terms and conditions (these "Terms and Conditions"), are agreed to by Power Mechanical, Inc. ("PMI") and the purchaser ("Purchaser"). PMI's acceptance of any order is subject to these Terms and Conditions. No contrary, additional or different terms, provisions or conditions shall be binding on PMI unless accepted by PMI in writing.

2. Complete Terms and Conditions

This document represents the full and final Terms and Conditions of the parties regarding these Terms and Conditions

3. Modification

Purchaser understands and agrees that (a) no modification or waiver of these Terms and Conditions shall be effective unless made by an authorized representative of PMI in writing addressed to Purchaser and specifically referring to these Terms and Conditions; (b) no course of action on the part of PMI shall be deemed to modify these Terms and Conditions; and (c) PMI's acknowledgment or acceptance of anything in writing from Purchaser which is in conflict with these Terms and Conditions (including any purchase order forms containing different terms or conditions) and any subsequent delivery of Goods shall not constitute a modification or waiver of these Terms and Conditions.

4. Goods Sold

The final invoice shall cover the specific quantities of items and/or equipment listed on the face thereof (the "Goods").

5. Acceptance by Purchaser

Purchaser shall accept or reject PMI's sales proposal within thirty (30) days from the date thereof. Purchaser's acceptance of any proposal, however, shall not result in a contract of sale, and PMI shall not be bound by any invoice, until such invoice has been approved by a duly authorized representative of PMI.

6. Terms of Payment

The purchase price for the goods sold shall be as shown on the face of the invoice, F.O.B. PMI's place of business, unless otherwise agreed to in writing by the parties. The purchase price shall be payable in United States currency in accordance with the terms outlined in the invoice and paid without any deduction, offset or reduction. All invoices rendered in accordance with the agreed terms which are not paid within 30 days shall be subject to interest at the rate of 1.5% per month from the date of the invoice until it is paid.

7. Delivery

By carrier other than PMI:

PMI shall deliver all Goods to a carrier for transport to Purchaser's place of business or as directed in writing, with all costs of transport borne by Purchaser. Purchaser shall bear all risk of loss with respect to the Goods from the moment the Goods are delivered to the carrier. Responsibility for safe and prompt delivery of products is assumed by carrier upon acceptance of Goods. Claims for loss or damage must therefore be filed with the carrier. Purchaser agrees that PMI shall not be liable for any delay in delivery or installation of, or any failure to deliver or install any of the Goods.

By PMI:

At PMI's option, PMI may be able to deliver the Goods to Purchaser's place of business or as directed in writing. All costs of transport will be borne by Purchaser. Purchaser shall bear all risk of loss with respect to the Goods from the moment the Goods arrive at the Purchaser's designated place of delivery, even if the Goods have not been unloaded yet. PMI will use reasonable efforts to deliver closed to the agreed estimated time of delivery. Notwithstanding, Purchaser agrees that there are many factors (which may or may not be under PMI's control) which can affect the time of delivery. Purchaser agrees that PMI shall not be liable for any delay in delivery or installation of, or any failure to deliver or install any of the Goods.

8. Disclaimer of Warranties

ALL GOODS ARE PURCHASED BY THE PURCHASER "AS IS" AND "WITH ALL FAULTS", AND PMI MAKES NO REPRESENTATION OR WARRANTY, EXPRESS, OR IMPLIED, INCLUDING BUT NOT LIMITED TO WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR ANY OTHER MATTER WITH RESPECT TO THE GOODS. No inspection period or right-of refusal period exists and no return of the Goods for any reason shall be allowed. Any affirmation of fact or promises made by PMI shall not be deemed to create an express warranty that the Goods shall conform to such affirmation or promise. Any descriptions, samples and specifications with respect to goods offered for sale herein are not warranted by PMI to be accurate or complete. If a model or sample was shown to Purchaser, such model or sample was used merely to illustrate the general type and quality of goods sold by PMI and not to represent that the Goods would necessarily conform to such model or sample. Any description is for the sole purpose of identifying the Goods and no affirmation, promise, description, sample or model shall be deemed part of the basis of the bargain. PMI STRONGLY RECOMMENDS THAT PURCHASER CONDUCT AN ON-SITE INSPECTION OF THE GOODS SOLD HEREUNDER. PMI SHALL NOT BE RESPONSIBLE FOR THE CONSEQUENCES OF PURCHASER'S FAILURE TO INSPECT THE GOODS OR FOR ANY INACCURACIES, INSUFFICIENCIES, OR OMISSIONS IN SUCH DESCRIPTIONS, SAMPLES AND/OR SPECIFICATIONS. C. The employees or representatives of PMI are not authorized to make any statement or representation as to the quality, character, size, condition, quantity, etc. of the goods offered for sale inconsistent with these Terms and Conditions. Any such statements made will not be binding on PMI or be grounds for any subsequent claim.

9. Sales – Used Goods

Purchaser understands that the Goods described herein have been used by persons other than PMI. Purchaser is warned and acknowledges that such Goods may bear or contain hazardous chemicals or other hazardous materials which may be or may become, by chemical reaction or otherwise, directly or indirectly hazardous to life, to health, or to property (by reason of toxicity, flammability, explosiveness or for other similar or different reasons during use, handling, cleaning, reconditioning, disposal or at any other time after the article leaves the possession and control of PMI). Purchaser does hereby discharge PMI from any and all liability directly or indirectly resulting from the presence of the aforesaid chemicals or materials, including and not limited to any and all liability directly or indirectly resulting from the failure of PMI to give more specific warning with respect to individual articles or substances or from the inadequacy of any warning.

10. Sales – New Goods

PMI warrants that, to the extent that Manufacturers have made representations to PMI concerning products for sale in this category, the statements made by PMI accurately reflect those Manufacturer's warranty representations. PMI will honor the terms and conditions of the applicable Manufacturer's Warranty for the product and will, at PMI's sole discretion, replace or repair the failed product. In all such instances, Purchaser is responsible for all shipping costs.

PMI makes no representations and has no obligations as to the warranty offered by the product Manufacturer. All responsibilities for performance in regard to product warranties remain solely with the Manufacturer of such products.

11. Due Diligence

Purchaser acknowledges that it: (a) has conducted its own inquiry and investigation into, and based thereon, has formed an independent judgment concerning, the Goods; (b) has been furnished with or given access to such information about the Goods as it has requested; (c) has inspected the Goods; and (d) based on all such information has found the Goods to be in acceptable condition for the purpose of consummating the transfer contemplated by this transaction.

Purchaser acknowledges that it has selected all Goods for Purchaser's intended uses without PMI's assistance and recognizes that PMI has not made and does not make any representation or warranty, express or implied, with respect to any matter regarding the design, application or use, compliance with specification of any equipment (or any part thereof),

the merchantability or fitness of any Goods for a particular purpose, or issues regarding patent infringement, software licensing, title and the like.

12. Disclaimer of Liability

Purchaser acknowledges that the Goods sold herein may be dangerous if improperly used. Purchaser acknowledges that it must contact the original manufacturer to obtain up-to-date installation and operation manuals and other information to insure the safe operation of Goods. PMI will not be responsible for any loss or injury resulting from defects or alleged defects in the Goods sold or from the subsequent use of the items. Purchaser agrees to defend any suit, action or cause of action brought against PMI, its directors, officers, employees and other agents and representatives by any person based on any such alleged injury, illness, or damage and to pay all damages, costs and expenses including, but not limited to, attorney's fees or legal expenses in connection therewith or resulting therefrom.

11. Indemnification

Purchaser hereby agrees to defend, indemnify and hold harmless PMI its directors, officers, employees and other agents and representatives from and against any and all claims, whether in contract or in tort, whether caused by PMI's negligence or otherwise, and whether based on a theory of strict liability. Claims include but are not limited to liabilities, judgments, claims, settlements, losses, damages, penalties, obligations and expenses, including attorney's fees and expenses and other professional fees and expenses, incurred or suffered by reason of, or in connection with any loss, damage or injury to person or property arising from, by reason of or in connection with the Goods sold hereunder.

This indemnification includes, but is not limited to matters regarding the selection, manufacture, purchase, acceptance, rejection, ownership, delivery, lease, possession, maintenance, use, condition, or operation of the Goods; any latent defects or other defects in any Goods, whether or not discoverable by PMI or by Purchaser; any patent, trademark or copyright infringement; and/or the condition of the Goods arising or existing during Purchaser's use.

This indemnification shall survive delivery of the Goods to Purchaser and any subsequent sale or other transfer of the Goods to a third party.

13. Insurance and Safety Rules

Prior to the commencement of any work on PMI property related to dismantling and/or transporting the Goods, Purchaser or Purchaser's agent agrees to have in full force the following minimum insurance limits herein, which insurance shall cover and include the assumption of liability hereinbefore agreed to by Purchaser. At PMI's request, Purchaser shall produce a Certification of Insurance which provides that said coverage is currently in effect.

- (1) Workmen's Compensation and Occupational Diseases in statutory limits in accordance with applicable law,
- (2) Employer's Liability in according with state law,
- (3) Comprehensive General Bodily Injury and Property Damage Insurance covering premises, operations, contractual liability, and personal injury in limits of \$100,000/\$300,000 Bodily Injury and \$100,000 Property Damage.
- (4) Automobile Liability Insurance in the limits of \$100,000/\$300,000 Bodily Injury and \$100,000 Property Damage covering all owned, non-owned, and hired vehicles used by Purchaser in connection with the sale of Goods transferred by PMI to Purchaser.

While on PMI property, Purchaser shall comply with all of PMI's safety rules and regulations.

14. Force Majeure

PMI's ability to ship the Goods may be affected in case of an act of force majeure, such as an act of God, war, sabotage, accidents, riots, fire, explosion, flood, strike, lockout, injunction, inability to obtain fuel, power, raw materials, labor, containers or transportation facilities, accident, breakage of machinery or apparatus, national defense requirements, or any other cause beyond the control of PMI. PMI shall have no liability for the failure to ship or deliver goods in the event of such force majeure and PMI's obligation to complete the delivery of Goods shall be suspended during such force majeure event and for a reasonable period of time thereafter; provided, however, that these Terms and Conditions shall otherwise remain in effect.

15. Purchasers' Credit

In the event Purchaser fails to remit payment for any one shipment when same becomes due, PMI reserves the right, among other remedies, either to terminate the contract or to suspend further deliveries. Should Purchaser's financial responsibility become unsatisfactory to PMI, in PMI's sole and absolute discretion, cash payments or security satisfactory to PMI, in its sole and absolute discretion, may be required by PMI before future deliveries of Goods are made by PMI.

16. Inspection

Purchaser has inspected the Goods or hereby acknowledges that PMI invited, urged and cautioned Purchaser to inspect the Goods and Purchaser declined to examine the same.

17. Limitation of Damages

PMI's liability with respect to Goods sold to Purchaser shall be limited to refunding any payments made by Purchaser (i) with respect to Goods returned to and accepted by PMI or (ii) with respect to Goods ordered but not shipped by PMI upon PMI's cancellation of the invoice. In no event shall PMI be liable for incidental, special, or consequential damages, lost profits, or any expenses of Purchaser, including, but not limited to, shipping costs.

18. Assignment

Purchaser may not assign its rights or delegate its performance in whole or in part under any invoice without the prior written consent of PMI and any attempted assignment or delegation without such consent shall be void.

19. Governing Law

All invoices and these Terms and Conditions shall be construed according to the laws of the State of Virginia. The parties agree that venue for any claim or controversy arising from or relating to invoices, these Terms and Conditions or the performance or breach thereof shall be exclusively limited to the state circuit court of Newport News, Virginia. Purchaser and PMI hereby waive the right to a trial by jury in any court and in any action or proceeding as to all matters and things arising out of or relating, directly or indirectly, to this Terms and Conditions and the relations between the parties hereunder.

20. Taxes

All charges, fees, impositions and taxes assessed or imposed on the Goods or its purchase, ownership, or use hereunder, by any taxing authority are the responsibility of Purchaser, including, but not limited to, local and regional sales taxes, use taxes, withholding, and personal property tax, or if applicable, Purchaser is to provide PMI with a valid tax exemption certificate. In the event that Purchaser either fails to pay the tax or other charges as agreed above or fails to provide a valid exemption certificate, Purchaser agrees to indemnify and hold PMI harmless from any liability and expense by reason of Purchaser's failure. Such indemnification shall include, but not be limited to, attorneys' fees and/or other legal expenses relating to such failure.

21. Repair

PMI is not obligated to do any repair work or modifications upon the Goods prior to sale or delivery. Any repair work or modifications performed by PMI on the Goods prior to sale shall be performed as a result of the sole request of Purchaser

using designs and instructions provided by Purchaser. Accordingly, PMI shall not be liable for any alleged damages caused by or resulting from the repairs or modifications.

PMI GIVES NO WARRANTY, EXPRESS OR IMPLIED, AS TO THE QUALITY, MERCHANTABILITY, WORKMANSHIP OR ANY OTHER MATTER WITH RESPECT TO ANY SUCH REPAIRS OR MODIFICATIONS.

22. Severability

If any provision of this Terms and Conditions is held to be invalid or unenforceable, then the meaning of such provision shall be construed so as to render it enforceable, to the extent feasible; and if no feasible interpretation would reform such provision, it shall be severed from this Terms and Conditions, and the remainder shall remain in full force and effect.

23. Fees and Costs

In the event any party institutes legal proceedings to enforce its respective rights arising out of the invoice and these Terms and Conditions, the prevailing party shall be entitled to the award of attorneys' fees and court costs, plus cost of executing, enforcing and/or collecting any judgment at all trial and appellate levels.

24. Foreign Locations:

All payments to PMI shall be in United States of America (USA) dollars.

Purchaser represents and warrants that it is authorized to do business in the USA and is located at the address specified on the Purchaser's Purchase Order.

Purchaser shall be fully responsible for and shall indemnify, hold harmless, and, if so requested by PMI, defend PMI from and against export, import, licensing, and all other matters whatsoever that arise out of or in connection with or relate to the Goods (including, without limitation, all associated options, software, and technical data) being shipped or located outside of the USA or returned to the USA.

Purchaser shall comply with all applicable laws, regulations, transactions and import/export controls, and economic sanctions imposed by the USA or any other government, including, without limitation, obtaining appropriate export and re-export authorizations as stipulated under the Export Administration Regulations of the USA Department of Commerce. In addition to all other obligations, Purchaser shall be responsible for and shall pay any sales, use, property, withholding tax, value added tax or any other fees, taxes, or impositions that may arise out of the Goods being shipped or located outside the USA or returned to the USA or otherwise relating to the Goods ("Relevant Tax"). Purchaser shall cooperate with PMI in obtaining any relevant documentation necessary to substantiate payment of Relevant Taxes and in providing originals or certified copies thereof. If any withholding, turnover or other Relevant Taxes are due, Purchaser agrees, to the extent permitted by applicable law and if requested by PMI, to self-assess with respect to any Relevant Taxes and remit and file all Relevant Tax returns in regards to such Relevant Taxes under the Purchaser's tax registration number and filings.

25. Other Provisions

Purchaser represents and warrants that, unless it is an individual, Purchaser is duly organized, validly existing and in good standing, and that Purchaser has the power and authority to complete this purchase.

Purchaser hereby authorizes PMI to obtain credit bureau reports and make such other credit inquiries as PMI deems necessary. Purchaser shall provide PMI with such corporate resolutions, opinions of counsel, financial statements, and other documents (including UCC Financing Statements and other documents for filing and recording) as PMI shall request from time to time.

If more than one Purchaser is named in Purchase Order, the liability of each shall be joint and several.

Purchaser shall not use PMI's name or any trademark or reference related to PMI's name in connection with the use, disposal, or sale of the Goods.