

ASPEN MANUFACTURING TERMS AND CONDITIONS

PAYMENT TERMS: Terms are 1% 10 days, net 30 days from invoice date. A finance charge of 1-1/2% or the maximum allowed by law will be assessed on all past due amounts. All orders are subject to a minimum \$20 billing. All orders payable in US funds.

FREIGHT TERMS: All shipments are F.O.B. Humble TX. Orders for \$15,000 or more of merchandise will be shipped freight prepaid to any one destination in the continental U.S. or Canada. Orders for less than \$15,000 of merchandise will be shipped freight prepaid and added to invoice. "Will Call" orders will not be assessed freight charges, regardless of size.

FREIGHT CHARGES: All accessorial charges assessed by the freight company, including drop charges, detention charges, lift gate charges, etc., will be passed on to the buyer.

DROP SHIPMENTS: There is a three-drop limit per truckload, with a 50-unit minimum per drop.

POOLING ORDERS: For the purposes of determining freight charges, each purchase order will be evaluated individually. Pooling of orders, whether from the same customer or different customers, in order to qualify for prepaid freight will not be allowed. Aspen will group orders together whenever possible in order to minimize freight charges. Doing so will not incur future obligation.

METHOD OF SHIPMENT: The method of shipment is at the discretion of Aspen. If special routing is requested, Aspen will charge for the difference between such routing and normal minimum freight charge to such point.

BUYER DELAYED DELIVERIES: Product shipment cannot be delayed beyond a requested or agreed to delivery date once production has begun. If buyer cannot or will not accept delivery as scheduled, Aspen will charge a storage fee of \$75.00 per day for each truckload or partial truckload that remains in Aspen's shipping facility.

BACKORDERS: Backorders will be shipped according to the freight terms of the original order.

WARRANTY: Aspen's warranty varies according to product. Buyer should consult the warranty documents relevant to the products he is purchasing.

ORDER AND LINE ITEM MINIMUMS: The minimum order quantity is fifty units. The minimum line item quantity is ten.

RECEIPT OF SHIPMENT: Our Bill of Lading is acknowledgment by the freight carrier that they have accepted the shipment in good condition. Responsibility for shipment is the carrier's. Damaged merchandise must be reported to the carrier directly by the buyer. The buyer should insist that such damages are itemized on the freight bill. Deductions for damage will not be allowed because Aspen's responsibility ends with consignment to the carrier. If there are shortages, they should be noted on the freight bill and the carrier should be notified immediately. Aspen must receive notification of shortages within 24 hours of receipt of shipment.

RETURN POLICY: No merchandise will be accepted for return unless accompanied by a preauthorized Aspen return authorization tag. Credits for new material accepted for return will be at the original sales price or current market price, whichever is lower, less handling and restocking charges of 20%. Buyer must prepay all return transportation charges. No goods will be accepted for return more than six months after shipment unless under warranty. Obsolete products or products made to special order are not returnable.

ORDER ACCEPTANCE: All orders must be in writing and are subject to acceptance by Aspen. A purchase order number must appear on all orders. No agent, salesman, or other representative, has any authority to waive, alter, or enlarge these standard terms, unless authorized in writing by an officer of Aspen.

CHANGE ORDERS: Change orders cannot be accepted during the order freeze period. The length of this period is usually two weeks, but may vary. For current status of the freeze period contact your Aspen representative. Quantity increases and line item additions will usually be acceptable.

ORDER CANCELLATION: Partial or total cancellations of orders by the buyer must be in writing to Aspen in advance of the start of production.

CREDIT APPROVAL: If, during the performance hereof, the financial responsibility of buyer is determined at the sole discretion of Aspen's Credit Department to be unacceptable or if buyer fails to make any payments in accordance with the terms hereof, Aspen may defer or decline to make any shipments hereunder except upon receipt of Cash payments in advance, or Aspen may terminate this order without further obligation of Aspen to buyer.

TAXES: Any direct or excise tax which may now or hereafter be imposed by federal or state government or any subdivision thereof upon the manufacture, sale, or delivery of the goods covered by this order may be added by Aspen to the purchase price of such goods, and if so added, shall be paid by the buyer.

CREDITS: Accounting credits expire one year from date of issuance. Credits can only be applied toward the purchase of Aspen equipment (not parts). Cash reimbursement for credits in lieu of equipment purchases is not allowed.

DELIVERY DATES: Any delivery dates, which may be indicated, are estimates only and are not guaranteed. Buyer's requested delivery date is considered to be approximate and subject to Aspen's acceptance.

PROPERTY DAMAGE: In case of product failure resulting in property damage, the factory should be contacted as soon as possible. No corrective action should be taken without prior written authorization from the factory.

PRODUCT CHANGES: Aspen reserves the right to change specifications, design and material in the interest of product improvement, without incurring obligation to the buyer.

SOLE AND EXCLUSIVE AGREEMENT: The terms and conditions of an order shall constitute the sole and exclusive agreement between Aspen and buyer. No waiver of any individual provision hereof shall constitute a waiver of any other provisions.

Effective 1/1/16. Revised 2/16/15. Subject to change without notice.