

Terms and Conditions of Sale

1. **LIMITED CONDITIONAL WARRANTY AND DISCLAIMER:** Allied Motion Technologies, Inc. and subsidiaries hereafter known as the Company or Companies warrants, subject to the Conditions listed in Paragraph III hereof, that all equipment manufactured by the Company ("Products") and parts thereof manufactured by the Company ("Parts") will be free from defects in materials and workmanship. **THE FOREGOING WARRANTY SHALL TERMINATE UPON THE EXPIRATION OF 12 MONTHS FROM THE SHIPMENT OF EACH PRODUCT AND PART. ALL SELF-CONTAINED SUBASSEMBLIES WHICH ARE A PART OF THE COMPANY'S PRODUCTS BUT NOT MANUFACTURED BY THE COMPANY ARE LIMITED TO THE WARRANTY OF THE SPECIFIC MANUFACTURER OR SUPPLIER, WHICH SUCH WARRANTY SHALL BE ASSIGNED BY THE COMPANIES TO THE PURCHASER, SUCH WARRANTY SHALL TERMINATE UPON EXPIRATION DATE OF SAID MANUFACTURER'S OR SUPPLIER'S WARRANTY. THIS WARRANTY IS THE ONLY WARRANTY MADE BY THE COMPANIES WITH REGARD TO THE PRODUCTS AND PARTS. THE COMPANIES HEREBY DISCLAIM ALL OTHER WARRANTIES, EXPRESSED, STATUTORY, OR IMPLIED, APPLICABLE TO THE PRODUCTS AND PARTS, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.**
2. **EXCLUSIVE REMEDY FOR BREACH OF WARRANTY:** For breach of the warranty specified in Paragraph I, above, the **SOLE EXCLUSIVE REMEDY** of original Purchasers of Products or Parts, shall be, at the Companies' option, to receive and repair, replace, or refund the purchase price for any Product or Part which is or becomes defective within the terms of the warranty. The Companies shall in no event be liable for any indirect, special, consequential or incidental loss, damage or expense directly or indirectly arising from the providing, performance or use of these Products or Parts, or from any other cause, ITS LIABILITY BEING EXPRESSLY LIMITED TO THE REPAIR, REPLACEMENT OR REFUND OF THE PRICE of defective Products or Parts. There is no Warranty provided by the Companies which is applicable to anyone other than the original Purchaser.
3. **CONDITIONS OF WARRANTY:** The Companies shall have no liability pursuant to the Express Warranty described in Paragraph I, above, unless:
 - a. The Companies receive, not more than thirty (30) days following the discovery of an alleged defect, written notice describing the claimed defect and the date and place at which it occurred: and
 - b. The Companies are given a reasonable opportunity to inspect or effect repairs at the place of installation, or at the Companies' request, to inspect or effect repairs at its own plant, or warehouse all Products or Parts which are claimed to be defective. The Companies will pay the cost of shipping Products and Parts pursuant to any such request, if in the Companies' opinion, there was a defect in material or workmanship; and
 - c. The Product or Part which is claimed to be defective has at all times been assembled, installed, serviced, maintained, tested, operated, and used in accordance with any maintenance or operating instructions given by the Companies, and has not been altered or modified in any manner without the prior written consent of the Companies.
4. **LIMITATION OF LIABILITY:** In no event, whether as a result of breach of contract or warranty or alleged negligence or liability without fault, shall the Companies be liable for special, incidental, or consequential damages, including, without limitation, loss of profits or revenue, loss of use of the Products or Parts, or any associated equipment, cost of capital, cost of substituted equipment or parts, facilities or services, downtime costs, labor costs, or claims of the purchaser or lessee for such damages. **THE COMPANIES' LIABILITY SHALL IN NO CASE EXCEED THE UNIT PRICE OF ANY DEFECTIVE PRODUCT OR PART.**
5. **DELIVERY:** The shipping dates set forth on the front page of the invoice are based upon prompt receipt of all necessary information from Purchaser. The Companies shall not be liable for delays in delivery or for failure to manufacture or deliver due to acts of God, acts of the Purchaser, acts of civil or military authorities, fires, strikes, floods, epidemics, war, riot, delays in transportation or car shortages, unavailability of labor (because of strikes, or otherwise), shortage of materials, components or manufacturing facilities, or any other causes beyond the Companies' reasonable control. In the event of any such delay, the date of delivery shall be extended for a period equal to the time lost by reason of the delay.
6. **PAYMENTS:** To the extent the Companies ship integral Products (i.e., less than all units of a Product are shipped under a multi-unit order) or the Companies ship less than all Parts on a multi-Part order, pro rata payments shall become due as shipments are made. If all Products are shipped, full payment shall become due as shipments are made. If shipments are delayed by Purchaser for any reason, payments shall become due on the date when the Companies are prepared to make shipment. If any work is delayed at the request of the Purchaser, payments shall be made based on the purchase price and the percentage of completion (based on the Companies' costs). Purchaser shall pay for reasonable storage fees for any Products or Parts held by the Companies at the request of Purchaser, and the Companies shall not be liable for loss of or damage to any Products or Parts in the absence of gross negligence.
7. **SALES AND SIMILAR TAXES:** The Companies' prices do not include sales, use, excise or similar taxes. Consequently, in addition to the price specified herein, the amount of any present or future sales, use, excise or other similar tax applicable to the sale of the Products or Parts hereunder shall be paid by the Purchaser, or in lieu thereof the Purchaser shall provide the Companies with any exemption certificate acceptable to the pertinent taxing authorities.
8. **SHIPMENTS:** Title to goods covered by any order shall vest in Purchaser upon delivery thereof to carrier. It is the responsibility of the consignee to recover from the transportation company in case of any loss or damage during shipment unless material is bought FOB destination.
9. **PATTERNS, TOOLS AND DIES:** The Purchaser agrees that all patterns, tools and dies shall be the exclusive property of the Companies notwithstanding that the Purchaser has contributed to the cost of said patterns, tools and dies.
10. **ASSIGNMENT:** Neither an assignment or any right, nor any delegation of any duty owed by the Purchaser may be made without the written consent of the Companies and any attempt to assign rights, or any attempt to delegate duties, without such written consent shall be void for all purposes.
11. **CANCELLATION:** If, within seven (7) days after mailing or delivery of a signed Order Acknowledgment by the Companies no written rejection or modification has been received by the Companies, this Contract shall be firm and shall not be subject to change or cancellation, except by agreement in writing signed by both parties hereto. Unless the Companies agree in writing to the contrary or waives its rights in writing, it shall be a breach of this contract and Purchaser shall be liable for damages if Purchaser insists upon suspension of shipment; fails in a timely manner to furnish data or information concerning system drawings, specifications or revisions to specifications, or desired point of destination; or delays delivery of any other required information.
12. **MERGER CLAUSE:** The Companies' salesmen may have made oral statements about the apparatus described in this contract. Such statements do not constitute warranties, shall not be relied upon by Purchaser, and are not part of this Quotation. The entire offer is embodied in this writing. Preprinted terms and conditions of any purchase order or other instrument issued by Purchaser in connection with this contract, which are in addition to or inconsistent with the terms and conditions of this contract, will not be binding on the Companies and will not apply to this contract.
13. **LOCAL LAW:** The Companies will not be obligated to comply with any Federal, State or local laws, regulations, or orders relating to Products or Parts unless Purchaser has adequately informed the Companies of the applicable requirements prior to the issuance of a Quotation, and Purchaser will hold the Companies harmless for all liabilities and expenses arising from the lack of compliance with such requirements or any Products or Parts. If Federal, State or local laws, regulations, or orders, or unusual climate conditions require modifications of the Products or Parts which are not within the Companies standard specifications, Purchaser shall specify in detail and pay for such modifications according to the Companies normal pricing policy, in addition to the most recent purchase price quoted by the Companies. If such modifications alter the performance of the Product or Parts or prevent the Products or Parts from performing according to specifications, the Companies shall not be liable therefore and shall not be required to meet these specifications to the extent performance may be affected.
14. **STATUS OF CONTRACT:** Any Contract resulting from this Quotation shall be governed by and construed in all respects in accordance with the laws of the State of Colorado. Any disputes arising under said Contract shall be tried in the courts sitting within the State of Colorado. In the event that any action or proceeding is brought in connection with the Contract, the prevailing party therein shall be entitled to recover its costs and reasonable attorney's fees.