

Conditions of Sale COS 1.2

- 1. All sales are expressly conditional on Buyer's agreement to the standard terms and conditions on this form, ZEFNET SAAS Terms and Conditions, and the attached quotation or proposal. No additional or different terms apply unless expressly agreed to in writing by ZEF Energy, Inc (Seller). Seller hereby gives notice of its objection to any different or additional terms. Acceptance of or payments for any of the goods constitute Buyer's agreement to Seller's terms and conditions.
- 2. All sales are made F.O.B. point of shipment, freight prepaid and added to invoice at cost. Shipments can be made Freight Collect by request. Each shipment and delivery will be considered a separate and independent transaction. Title shall transfer from Seller to Buyer and Buyer shall have risk of loss after delivery at F.O.B. point of shipment.
- 3. Shipment dates given in advance of actual shipment are estimated and deliveries will be made subject to prior orders on file with Seller. Seller shall not be liable for failure to perform or delay in performance hereunder resulting from fire, labor difficulties, transportation difficulties, delays in usual sources of supply, major changes in economic conditions or, without limitation by the foregoing, any cause beyond Seller's reasonable control.
- 4. Terms of warranty for all ZEF Energy, Inc products are per the ZEF Energy Limited Warranty.
- 5. This order may be canceled by Buyer only if agreed to by Seller and upon payment of reasonable charges based upon expenses already incurred and commitments made by Seller.
- THE ZEF ENERGY LIMITED WARRANTY IS EXPRESSLY IN LIEU OF AND EXCLUDES ALL OTHER EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, WARRANTIES OF MERCHANTABILITY AND OF FITNESS FOR PARTICULAR PURPOSE, USE, OR APPLICATION, AND ALL OTHER OBLIGATIONS OR LIABILITIES ON THE PART OF SELLER, UNLESS SUCH OTHER WARRANTIES, OBLIGATIONS OR LIABILITIES ARE EXPRESSLY AGREED TO IN WRITING SIGNED AND APPROVED BY SELLER. UNLESS EXPRESSLY AGREED TO BY SELLER IN WRITING SIGNED AND APPROVED BY SELLER, SELLER PROVIDES NO WARRANTIES IN CONNECTION WITH ANY SERVICES SELLER PROVIDES TO BUYER IN CONNECTION WITH OR RELATING TO THE PRODUCT AND/OR INSTALLATION THEREOF, ANY SUCH SERVICES ARE PROVIDED "AS IS," AND SELLER HEREBY DISCLAIMS ANY AND ALL EXPRESS OR IMPLIED WARRANTIES IN CONNECTION WITH ANY SUCH SERVICES, INCLUDING, BUT NOT LIMITED TO, WARRANTIES OF MERCHANTABILITY AND OF FITNESS FOR PARTICULAR PURPOSE. THE REMEDIES SET FORTH HEREIN AND IN THE ZEF ENERGY LIMITED WARRANTY ARE BUYER'S SOLE AND EXCLUSIVE REMEDIES.
- 7. SELLER SHALL HAVE NO RESPONSIBILITY OR LIABILITY WHATSOEVER FOR DAMAGE OR INJURY TO PERSONS OR PROPERTY OR FOR OTHER LOSS OR INJURY RESULTING FROM ANY CAUSE WHATSOEVER ARISING OUT OF OR RELATED TO THE PRODUCT, INCLUDING, BUT NOT LIMITED TO, ANY DEFECTS IN THE CHARGER, OR FROM USE OR INSTALLATION. SELLER'S MAXIMUM LIABILITY FOR ALL CLAIMS, INCLUDING, BUT NOT LIMITED TO, CLAIMS OF BUYER OR ANY THIRD PARTY RESULTING FROM THE USE OF SELLER'S PRODUCTS, SHALL NOT EXCEED THE AGGREGATE AMOUNT OF PAYMENTS ACTUALLY MADE TO SELLER BY BUYER FOR THE PRODUCT OR PART ON WHICH LIABILITY IS BASED. THE LIMITATION OF LIABILITY SET FORTH IN THE PRECEDING SENTENCE SHALL NOT APPLY TO SUPPLIER'S INTELLECTUAL PROPERTY INDEMNIFICATION LIABILITY UNDER SECTION 12(A) HEREOF. IN NO EVENT SHALL SELLER BE LIABLE TO BUYER OR ANY THIRD PARTY FOR ANY INDIRECT, CONSEQUENTIAL, INCIDENTAL, PUNITIVE OR SPECIAL DAMAGES WHATSOEVER (INCLUDING, BUT NOT LIMITED TO, DAMAGES INCURRED BY BUYER OR SUCH THIRD PARTY FOR LOSS OF BUSINESS PROFITS OR REVENUE, BUSINESS INTERRUPTION, LOSS OF BUSINESS INFORMATION, LOSS OF POWER, LOSS OF USE OF THE EVSE SYSTEM, COSTS OF REPLACING LOST POWER, DAMAGES TO STRUCTURES, THE COST OF ANY SUBSTITUTE SYSTEM OR SOURCE OF POWER, OR OTHER PECUNIARY LOSS), WITHOUT REGARD TO CAUSE OR THEORY OF LIABILITY, INCLUDING THE NEGLIGENCE OF SELLER, BREACH OF WARRANTY OR OTHERWISE.
- 8. Seller will not accept any penalty or liquidated damage clauses of any kind, written or implied, or any liability arising from such clauses.
- 9. The prices stated in this quotation shall, unless renewed, automatically expire thirty (30) days from the date hereof and are, by notice, subject to changes at any time. The prices shown do not include any sales taxes or other charges payable to state or local authorities. Any such taxes now or hereafter imposed with respect to sales or shipments hereunder will be added to such prices and the Buyer agrees to reimburse Seller for any such taxes or charges. Buyer shall have no rights to any setoffs of any nature relating to any payments due to Seller.
- 10. If not otherwise specified, terms of payment are 30% due at time of order, balance due prior to shipment. After a deposit is paid, if Buyer cancels the associated Purchase Order, Buyer may apply its deposit to another Purchase Order in full, provided the new Purchase Order is placed contemporaneously with the cancellation. Subsequent cancellations, even if replaced with a new Purchase Order, may be subject to deductions of reasonable carrying costs by Seller. If Seller shall have any doubt at any time as to Buyer's ability to pay, Seller may decline to make deliveries except upon receipt of satisfactory security.
- 11. a. Seller shall, at its expense, defend any suit brought against Buyer, based on a claim that any product furnished by Seller pursuant to these terms and conditions constitutes an infringement of any United States patent, and Seller shall pay all judgments and costs recovered against Buyer in any such suit and shall reimburse Buyer for costs or expenses incurred by Buyer in the defense of any such suit, provided that Buyer gives Seller prompt notice of such suit, reasonable assistance in the defense thereof, and full opportunity to control all aspects of the defense thereof, including settlement. In the event such product is held to constitute infringement, and the use of the product is enjoined, Seller shall, at its option, procure for Buyer the right to continue using the product; replace it with non-infringing product; modify it so it becomes non-infringing; or remove the product and refund the portion of the purchase price applicable thereto, including the transportation and installation thereof.
 - b. Seller's liability for patent infringement shall not apply to:
 - i) Patented processes performed by the product or another product produced thereby;
 - ii) Products supplied according to a design other than that of Seller and which is required by Buyer; or
 - iii) Modifications of the product or combinations of the product with another product not furnished by Seller.
 - iv) failure of Buyer to implement any update provided by Seller that would have prevented the claim, demand, suit, action or judgment;
 - v) unauthorized use of the product, whether or not in breach of these terms and conditions.
 - c. The foregoing paragraphs 12(a) and 12(b) state the entire liability of Seller to Buyer for patent infringement by any product furnished by Seller to Buyer.

- d. If a suit is brought against Seller on account of any of items listed in clauses (i) thru (v) of paragraph 12(b), Buyer shall indemnify, defend and hold harmless Seller against any and all liability, damage, loss or expense (including, but not limited to, reasonable attorneys' fees and expenses of litigation) incurred by or imposed upon Seller in connection therewith.
- 12. No sales representative of Seller has authority to alter, vary, or waive any of the terms and conditions set forth herein.
- 13. Buyer agrees in consideration of Seller's execution of this contract that any claim of any kind by Buyer based on or arising out of this contract or otherwise shall be barred unless asserted by Buyer by the commencement of an action within 12 months after the delivery of the products or other event, action, or inaction to which such claim relates. This provision shall survive any termination of this contract, however arising.
- 14. In the event Buyer defaults in payment, Buyer shall be liable for all collection costs incurred by Seller including, but not limited to, attorney and collection agency
- 15. In the event Buyer does not pay when due, past due amounts are subject to service charges of the lesser of 1.50% per month or the maximum permitted by law.
- 16. The parties acknowledge and agree that nothing contained herein, in the quotation or in Buyer's agreement is intended to grant any rights to Buyer under any patent, copyrighted or un-copyrighted work, secret process, trade secret, patented or unpatented invention, specification, design, drawing, data, technical information or any other intellectual property right or proprietary information of Seller (Intellectual Property Rights). No Intellectual Property Rights are either expressly or impliedly licensed or granted hereunder or thereunder to Buyer, and such Intellectual Property Rights are expressly reserved by Seller. Buyer acknowledges, on behalf of itself and its affiliates and each of their respective employees, directors, officers, governors, managers, shareholders, members agents and representatives, that any and all Intellectual Property Rights belong exclusively to Seller and undertakes not to challenge, infringe or harm in any way such Intellectual Property Rights.
- 17. It is the policy of ZEF Energy, Inc to provide equal opportunity and to adhere to Federal, state and local laws pertaining thereto, if any.
- 18. Buyer is responsible for compliance with all laws and regulations applicable to the storage, use, handling, installation, maintenance, removal and/or disposal of the product from and after Buyer's receipt of the product.
- 19. If Buyer is supplying or supplies Seller's products to a third party, Buyer shall require the third party to be bound by the limitations and exclusions in paragraph 7 hereof. If Buyer does not obtain such agreement from the third party for Seller's benefit, Buyer shall indemnify and hold harmless Seller from all liability arising out of claims made by the third party in excess of the limitations and exclusions set forth in paragraph 7.
- a. Buyer represents and warrants that in connection with any transactions subject to these terms it will fully comply with all applicable export controls, import controls and customs, and economic and trade sanctions laws and regulations, including but not limited to the Export Administration Regulations ("EAR") (15 CFR §§ 730-774) maintained by the U.S. Department of Commerce; the International Traffic in Arms Regulations ("ITAR") (22 CFR §§ 120-130) maintained by the U.S. Department of State; and trade and economic sanctions maintained by the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC").
 - b. Buyer represents and warrants that in connection with any transactions subject to these terms it will not directly or indirectly sell, export, re-export, transfer, divert, or otherwise dispose of any product, software, or technology (including products derived from or based on such technology) received from the Company to any destination, entity, person, or end-use prohibited by the laws or regulations of the United States, without obtaining prior authorization from the competent government authorities as required by those laws and regulations.
 - c. Buyer represents and warrants that in connection with any transactions subject to these terms it will fully comply with all applicable anti-corruption and anti bribery laws, including but not limited to the U.S. Foreign Corrupt Practices Act of 1977, as amended (the "FCPA"), the U.K. Bribery Act 2010; and that [Customer] has not and will not in the future corruptly offer, pay, give, promise, or authorize the payment of anything of value, directly or indirectly, to any person, including any Foreign Official (as defined in the FCPA), for purposes of: (i) inducing a person to improperly perform any relevant function or activity; (ii) inducing or rewarding a Foreign Official to do or omit to do any act in violation of his or her lawful duty; (iii) improperly securing any business or business advantage; or (iv) inducing a Foreign Official to use his or her influence, in each case in any way related to any transactions subject to these terms.
- 21. These terms and conditions shall be governed by the substantive laws of the State of Minnesota, without regard to the conflicts of law provisions thereof. The U.N. Convention on the International Sales of Goods shall not apply.