

The following are the terms and conditions (“Terms and Conditions”) for the sale of products (“Products”) by Traffic Parts, Inc (“Traffic Parts, Inc”) to Traffic Parts, Inc’s customers (“Customer”). These Terms and Conditions shall apply to the exclusion of all other terms referred to in any purchase order, acknowledgment, confirmation or any other documentation issued by either party, unless agreed in writing and signed by an authorized officer of Traffic Parts, Inc. Traffic Parts, Inc reserves the right to amend these Terms and Conditions at any time. The most current version of these Terms and Conditions can be found at www.trafficparts.com.

1. **ORDERS.** Orders will be initiated by Customer issuing a purchase order to Traffic Parts, Inc. Orders must identify the Products, unit quantities, part numbers, descriptions, applicable prices and requested delivery dates. Orders are subject to Traffic Parts, Inc’s acceptance. Traffic Parts, Inc reserves the right to limit quantities and to refuse to deal with any person.

2. **PRICES.** Orders are billed at the prices (in US dollars) in effect at the time of shipment. The catalog reflects the latest pricing information available at the time of printing, which are subject to change without notice. Non-standard Products will be sold at the prices set out in the relevant quotation supplied by Traffic Parts, Inc. If Customer does not purchase the quantity upon which quantity prices are based, Customer will pay the non-discounted price for the quantity actually purchased and/or a cancellation fee. Prices for any rescheduled deliveries may be increased by Traffic Parts, Inc in the event of an increase in Traffic Parts, Inc’s prices or costs or causes beyond Traffic Parts, Inc’s reasonable control.

Prices do not include federal, state and local sale, use, excise and similar taxes that apply to Products, which Customer will also pay at the applicable rate unless an original signed tax exemption certificate is received by Traffic Parts, Inc. Traffic Parts, Inc collects sales taxes only on shipments made to the State of Texas. All other sales and use taxes are the responsibility of the Customer.

3. **TERMS OF PAYMENT.** If Traffic Parts, Inc has not granted credit to Customer payment terms are cash on delivery. COD order minimum is \$50.00. COD orders totaling \$500.00 or more must be paid with certified funds (certified check, money order or cashier’s check). Most carriers will not accept cash and require payment by check of some form regardless of the total. There is a \$25.00 service charge on all returned checks.

If credit has been granted, payment is net 30 days from date of invoice. All payments must be made without set-off or deduction. Orders are subject to credit approval by Traffic Parts, Inc, which may in its sole discretion at any time change the terms of Customer’s credit or require advance payment or payment by official bank check. If Traffic Parts, Inc reasonably believes that Customer’s ability to make payments is impaired, Traffic Parts, Inc may cancel any order or remaining balance thereof, and Customer will remain liable to pay Traffic Parts, Inc for Products already shipped. Customer will submit such financial information as Traffic Parts, Inc may reasonably require for determination of credit terms. Checks are accepted subject to collection and the date of collection will be deemed the date of payment. Any payment received from Customer may be applied by Traffic Parts, Inc against any obligation owing by Customer to Traffic Parts, Inc under this or any other contract, regardless of any statement

appearing on or referring to such payment, without discharging Customer's liability for any additional amounts owing by Customer to Traffic Parts, Inc. The acceptance by Traffic Parts, Inc of such payment will not constitute a waiver of Traffic Parts, Inc's right to pursue the collection of any remaining balance. If Customer fails to make payment when due, without prejudice to any other right or remedy, (i) overdue sums will bear interest to date of payment at the annual rate of 18% or such lower rate as may be the maximum permitted by law; and (ii) Traffic Parts, Inc will be entitled to reimbursement for all costs of collection and attorneys' fees. Credit cards accepted are MasterCard, Visa and American Express.

4. DELIVERY AND TITLE. All shipments by Traffic Parts, Inc are FOB point of shipment from Traffic Parts, Inc's facility and the amount of all shipment charges shall be paid to Traffic Parts, Inc by Customer in addition to the purchase price of the Products. Selection of the carrier and delivery route will be made by Traffic Parts, Inc unless specifically designated by Customer. Traffic Parts, Inc will aim to initiate shipment and deliver the Products as close as possible to Customer's requested delivery date(s). Customer acknowledges that shipment and delivery dates provided by Traffic Parts, Inc are estimates only and that Traffic Parts, Inc will not be liable for failure to achieve such dates. For the avoidance of doubt delivery of Products within 30 days of the requested delivery date shall constitute timely delivery. Delivery of a quantity within $\pm 10\%$ of the quantity ordered will constitute full delivery. Delay in delivery of one installment will not entitle Customer to cancel any other installment(s).

Delivery to a carrier will constitute delivery to Customer, and risk of loss of or damage to the Products will pass to Customer at this point. Title to the Products shall remain with Traffic Parts, Inc until payment in full for the Products by Customer. Products invoiced and held by Traffic Parts, Inc at Customer's request will be held at Customer's risk and expense.

5. CANCELLATIONS, RETURNS. Customer may, without charge, cancel an order for standard Products provided the order is scheduled for shipment by Traffic Parts, Inc more than 60 days after Traffic Parts, Inc receives written notice of cancellation from Customer. Customer may only cancel an order for standard Products scheduled for shipment by Traffic Parts, Inc within 60 days after Traffic Parts, Inc receives written notice of cancellation if accepted by Traffic Parts, Inc in its sole discretion, which acceptance may be subject to Customer accepting a cancellation fee determined by Traffic Parts, Inc. Customer may only reschedule an order if accepted by Traffic Parts, Inc in its sole discretion. Orders may not be canceled or rescheduled after delivery by Traffic Parts, Inc to the carrier. Customer may not cancel orders for non-standard Products. Non-standard Products include, without limitation, Products which are special orders, products which do not appear in the catalog, products not customarily in stock, value-added products, products to be assembled from kit form, opened software, and products identified as otherwise non-cancelable and non-returnable ("NCNR").

Customer is deemed to have accepted the Products unless written notice of rejection is received by Traffic Parts, Inc within three days after delivery.

The following provisions apply to the return of Products to Traffic Parts, Inc (except where Section 6 applies):

A. Traffic Parts, Inc will advise Customer at the time of order placement whether any Product ordered is NCNR. NCNR Product may not be returned. Returns are limited to the previous year's volume of purchases of any given Product.

Traffic Parts, Inc will accept Product returns only within 30 days of the date of delivery to Customer.

B. Authorization must be obtained from Traffic Parts, Inc prior to returning any Product by submitting a return material authorization (RMA) request to the Customer Returns desk. Please allow 24 hours for each request to be processed.

C. If approved, Traffic Parts, Inc will issue Customer an RMA number. No return of Product will be accepted without a clearly visible RMA number marked on each carton.

D. Return freight charges must be prepaid by Customer.

E. Returned Product must be in original shipping cartons with all packaging materials included.

F. Product must be in re-sellable condition. Customer will be advised of disposition or credit (whichever applies) after inspection of Product.

G. Product returned due to Customer error may be subject to restocking fee.

H. Traffic Parts, Inc will not be responsible for returned Product lost in transit.

6. LIMITED WARRANTY. Traffic Parts, Inc warrants to Customer that Products purchased hereunder will conform to the applicable manufacturer's specifications for such Products and that any value-added work performed by Traffic Parts, Inc on such Products will conform to applicable Customer's specifications relating to such work. If Traffic Parts, Inc breaches this warranty, Customer's remedy is limited to (at Traffic Parts, Inc's election) (1) refund of Customer's purchase price for such Products (without interest), (2) repair of such Products, or (3) replacement of such Products; provided that such Products must be returned to Traffic Parts, Inc, along with acceptable evidence of purchase, within 20 days from date of delivery, transportation charges prepaid. No warranty will apply if the Product has been subject to misuse, static discharge, neglect, accident or modification, or has been soldered.

Traffic Parts, Inc will transfer to Customer all transferable warranties which Traffic Parts, Inc receives from the manufacturer of the Products. Details of these warranties can be made available to Customer on request.

SAVE AS EXPRESSLY PROVIDED IN THESE TERMS AND CONDITIONS, ALL IMPLIED WARRANTIES, TERMS AND CONDITIONS (WHETHER STATUTORY OR OTHERWISE) ARE EXCLUDED TO THE FULLEST EXTENT PERMITTED BY LAW. IN PARTICULAR, Traffic Parts, Inc MAKES NO WARRANTY RESPECTING THE MERCHANTABILITY OF THE PRODUCTS OR THEIR SUITABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OR USE OR RESPECTING INFRINGEMENT.

7. LIMITATION OF LIABILITIES. CUSTOMER SHALL NOT BE ENTITLED TO, AND Traffic Parts, Inc SHALL NOT BE LIABLE FOR, LOSS OF PROFIT, PROMOTIONAL OR MANUFACTURING EXPENSES, OVERHEADS, BUSINESS INTERRUPTION COSTS, LOSS OF DATA, REMOVAL OR REINSTALLATION

COSTS, INJURY TO REPUTATION OR LOSS OF CUSTOMERS, PUNITIVE DAMAGES, IPR INFRINGEMENT, LOSS OF CONTRACTS OR ORDERS OR ANY INDIRECT, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES OF ANY NATURE. CUSTOMER'S RECOVERY FROM Traffic Parts, Inc FOR ANY CLAIM SHALL NOT EXCEED THE PURCHASE PRICE PAID FOR THE AFFECTED PRODUCTS IRRESPECTIVE OF THE NATURE OF THE CLAIM WHETHER IN CONTRACT, TORT, WARRANTY, OR OTHERWISE.

California Residents — WARNING: Some of Traffic Parts, Inc's Products contain chemicals known to the State of California to cause cancer, birth defects, or reproductive toxicity under certain conditions or at certain levels. Traffic Parts, Inc's suppliers are responsible for proper identification and labeling of these Products.

8. PUBLISHED INFORMATION. Traffic Parts, Inc makes every effort to ensure the accuracy of the information published in its catalogs. However, Traffic Parts, Inc makes no representations about the information presented, which is provided "as-is" without warranty of any kind. Product specifications and availability are subject to change without prior notice.

9. LIMITATIONS OF USE. PRODUCTS SOLD BY Traffic Parts, Inc ARE NOT RECOMMENDED OR AUTHORIZED FOR USE IN LIFE SUPPORT, SURGICAL IMPLANTATION, NUCLEAR OR AIRCRAFT APPLICATIONS OR FOR ANY USE OR APPLICATION IN WHICH THE FAILURE OF A SINGLE COMPONENT COULD CAUSE SUBSTANTIAL HARM TO PERSONS OR PROPERTY. Customer agrees that using or selling Products for use in such applications is done at its own risk, and agrees that Traffic Parts, Inc and the manufacturer of the Products are not liable for any claim or damage arising from such use. Customer agrees to fully indemnify, defend and hold harmless Traffic Parts, Inc and the manufacturer of the Products from and against any and all claims, damages, loss, cost, expense or liability arising out of or in connection with the use or performance of Products in such applications. Use of software will be subject to the terms of any accompanying end user license.

10. STATEMENTS AND ADVICE. If statements or advice (technical or otherwise, and whether or not provided by Traffic Parts, Inc's technical support group) are offered or given to Customer, such statements or advice will be deemed to be given as an accommodation to Customer and without charge and Traffic Parts, Inc will have no responsibilities or liabilities whatsoever for the content or use of such statements or advice.

11. FORCE MAJEURE. Traffic Parts, Inc will not be liable for delays in delivery or for failure to perform its obligations due to causes beyond its reasonable control, including, but not limited to, product allocations, material shortages, labor disputes, transportation delays, unforeseen circumstances, acts of God, acts or omissions of other parties, acts or omissions of civil or military authorities, Government priorities, fire, strikes, floods, severe weather conditions, computer interruptions, terrorism, epidemics, quarantine restrictions, riots, or war. Traffic Parts, Inc's time for delivery or performance will be extended by the period of such delay or Traffic Parts, Inc may, at its option, cancel any order or remaining part thereof without liability by giving notice to Customer.

12. EXPORT CONTROLS. Products purchased are subject to export control laws,

restrictions, regulations and orders of the United States. Customer agrees to comply with all applicable export laws, restrictions and regulations of the United States or foreign agencies or authorities, and shall not export, or transfer for the purpose of re-export, any product to any prohibited or embargoed country or to any denied, blocked, or designated person or entity as mentioned in any such United States or foreign law or regulation. Customer represents and warrants that it is not on the Denied Persons, Specially Designated Nationals or Debarred Persons List and is not otherwise prohibited by law from purchasing the products or services hereunder. Customer shall be responsible for obtaining any required license to export, re-export or import.

13. GENERAL. The Terms and Conditions may not be modified or cancelled without Traffic Parts, Inc's written agreement. Any provision hereof which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof in that jurisdiction or affecting the validity or enforceability of such provision in any other jurisdiction. The provisions set out in these Terms and Conditions are for the sole benefit of the parties hereto, and confer no rights, benefits or claims upon any person or entity not a party hereto. The Terms and Conditions will be governed by and construed in accordance with the laws of the state of Texas, other than the conflicts of laws principles thereof, and subject to the jurisdiction of Fort Worth, Texas courts. Customer will not directly or indirectly export, re-export, sell or transfer any Product to any country for which an export license or other governmental approval is required without first obtaining all licenses and other approvals. Customer acknowledges that Traffic Parts, Inc and its licensors own the intellectual property rights in the Traffic Parts, Inc catalogs, the catalog content and the stock numbers, and that their whole or partial reproduction without Traffic Parts, Inc's prior written consent is prohibited.

We hereby certify that these goods were produced in compliance with all applicable requirements of Section 6.7, and 12 of the Fair Labor Standards. Act as amended and of regulations and orders of the U.S. Dept. of Labor issued under Section 14 thereof. Traffic Parts, Inc is only acting as a distributor of products manufactured by other companies. Thus, Traffic Parts, Inc expressly limits its guarantees and warranties for products sold hereunder to those extended and allowed by the manufacturing company to be passed through to Traffic Parts, Inc's customers. There are no express or implied warranties which extend beyond the description on the face hereof. Traffic Parts, Inc disclaims and excludes from any sale of products herein, any implied warranties or merchantability, or of fitness or suitability for any particular purpose or use. All goods sold by Traffic Parts, Inc are purchased by the buyer "AS IS." Since Traffic Parts, Inc cannot control the manner or use of its products after their sale, Traffic Parts, Inc will not be responsible for any direct, consequential or indirect damages to the purchaser or any third party or ultimate user of the products. Traffic Parts, Inc will, at its option, either replace the goods sold or refund the purchase price should a product defect be brought to its attention within a reasonable time after sale.

14. INTERNATIONAL ORDERS. All orders of international origin are exported from the U.S. in accordance with Export Administration Regulations. All taxes, duties, insurance, shipping charges, and other international charges and fees are the responsibility of the Customer. Minimum order is \$50.00. Information including price

quotations, handling, documentation and shipping can be obtained by writing:

Traffic Parts, Inc

P.O. Box 837

Spring, TX 77383

Telephone: 800.345.6329

Fax: 281.292.0088

E-mail: sales@trafficparts.com

Website: www.trafficparts.com

Terms for payment on export orders are cash or credit card. Cash orders in U.S. dollars will be accepted for immediate processing. Credit terms are available to qualified customers — inquire when placing order.