

NEW CUSTOMERS OF FAR EAST BROKERS & CONSULTANTS, INC., MUST REVIEW THESE TERMS AND CONDITIONS OF SALE, AND SEND A SIGNED COPY VIA FIRST CLASS MAIL OR FAX TO FAR EAST BROKERS & CONSULTANTS, INC. AT 904-332-9007

**Far East Brokers & Consultants, Inc.  
Terms and Conditions of Sale**

**Rev072916B**

As used in these Terms and Conditions of Sale (Seller's "Terms and Conditions"), "Merchandise" refers to those products and other items described in Seller's purchase order confirmation; "Seller" refers to Far East Brokers & Consultants, Inc.; and, "Buyer" refers to the firm or person that is purchasing Merchandise, including such Buyer's permitted assignees. Seller agrees to sell, and Buyer agrees to purchase, Merchandise from time to time on the terms, conditions and obligations set forth in these Terms and Conditions. BUYER UNCONDITIONALLY ACKNOWLEDGES AND AGREES THAT BUYER HAS READ AND UNDERSTANDS ALL SUCH TERMS AND CONDITIONS AND EXPRESSLY AGREES TO SAME. Buyer's placement of an order constitutes Buyer's full and complete acceptance of these Terms and Conditions.

1. Applicable Contract Provisions. These Terms and Conditions, together with any other documents which Seller has attached or referenced hereto as part of the contract with Buyer (the "Agreement"), are the sole and complete Agreement between Buyer and Seller governing purchase and sale of the Products and supersede all prior oral and written understandings. Seller rejects those provisions of any previous order, offer, or other communication from Buyer, which are additional to or different from the terms hereof. Neither Seller's delivery of the Products nor any other action at any time on the part of Seller shall constitute acceptance of such additional or different terms. Buyer shall be bound by all of the terms of this Agreement when Buyer accepts this Agreement by any statement, act or course of conduct which constitutes acceptance under applicable law, including failure to object in writing hereto within a reasonable time and acceptance of delivery of the Products.

2. Description of Products. The products subject hereto are those described on Buyers' Purchase Confirmation Sign-off document, invoice, or Buyer's order confirmation (the "Products"). Seller may substitute reasonably equivalent materials, components or units for any one or more of the products based upon its then current formulation. The only specifications which are a part of this Agreement are the written specifications listed in the Item Work Sheet, if any, made available to

Buyer by Seller regarding the Products. All other material describing the Products is intended only to provide Buyer with a general idea about the Products and may not be relied upon as a “basis of the bargain” for this Agreement.

3. Purchase Price and Terms of Payment.

- a. Price. The price for the Products shall be the price agreed upon between the parties. Typographic or other clerical errors in stated prices are subject to correction.
- b. Credit and Terms of Payment. Unless otherwise agreed to in writing, Seller requires Buyer to issue a Letter of Credit in the amount of the purchase order within 10 days of receipt of the order sign-off. Payment terms are net 10 days from date the product is available for delivery to Buyer.
- c. Buyer is solely responsible for ensuring that payment is made to Seller’s correct location. For fraud avoidance purposes, Seller will never initiate payment method changes via email or telephone. In the event Seller needs to change its payee bank account information or payment method, then Seller will send Buyer a notification letter. Upon receipt of such letter and prior to changing bank account information or payment method, Buyer must contact Seller's representative to positively confirm the account change. At all times Buyer is responsible for ensuring that payment is made to Seller’s correct location and Buyer accepts responsibility for misdirected funds.
- d. Buyer’s Financial Condition; Insecurity. If, in Seller’s sole judgment, Buyer’s financial condition or any other circumstance causes Seller to be insecure with respect to Buyer’s performance of any obligation under this Agreement, Seller may accelerate and demand immediate payment of any amounts owed Seller, cancel this Agreement and suspend performance.

4. Shipment, Delivery and Terms of Acceptance.

- a. Shipment. Seller will package the Products for domestic shipment in accordance with standard commercial practices. All shipments shall be delivered by Seller to the Buyer’s designated

point of delivery at the Buyer's expense unless otherwise agreed by Seller in writing. The carrier shall be deemed to be Buyer's agent, and Buyer shall make all claims with respect to damage in transit against the responsible carrier.

- b. Delivery Schedule. Any delivery dates stated by Seller are estimates only based on prevailing conditions as of the date hereof, and Seller's failure to meet the same shall not be deemed a breach of this Agreement. Seller will notify buyer in the event the product cannot be delivered within a two-week delivery window of the Buyer's request.
- c. Force Majeure. Seller shall not be liable to Buyer for any delay or failure of delivery or of any other performance caused in whole or in part by any contingency beyond Seller's reasonable control, including, without limitation, acts of any government or any agency or subdivision thereof or shortage of or inability to secure labor, fuel, energy, raw materials, supplies or machinery at reasonable prices or from regular sources.
- d. Inspection and Acceptance. Buyer shall inspect all shipments upon arrival and shall notify Seller in writing of any shortages or other failures to conform to this Agreement which are reasonably discoverable upon arrival.
- e. Storage charges. Buyer shall pay any drayage, storage, detention, demurrage or other charges incurred as a result of the Buyer's refusal or inability to receive delivery of the product in a timely manner or as a result of the Buyer's refusal or inability to receive delivery when delivery is tendered by Seller.
- f. No Cancellations or Modifications of Orders. Buyer recognizes that Seller is a direct importer and that it also requires substantial lead time to fulfill specific customer orders, including the fact that significant customization of such orders occurs before Merchandise is shipped to Buyer. As such, Seller can incur significant losses and costs in connection with confirmed orders that are amended, modified or cancelled after becoming Seller's work in process. Accordingly, Buyer agrees that it will not amend, cancel or modify, confirmed international orders for

Products once such orders become Seller's work-in-process. Payment terms per Section 3 shall continue to govern even in the event of a purported cancellation or modification of a confirmed order, and Seller expressly reserves the right to make claims for additional losses, costs and damages directly attributable to Buyer's cancellation or modification.

5. WARRANTIES, LIMITATIONS OF WARRANTIES, DISCLAIMER OF WARRANTIES AND LIMITATION OF DAMAGES.

- a. Limited Warranty to Buyer. If Seller provides Item Work Sheet(s) to Buyer with respect to one or more of the Products, Seller warrants that those Products, when supplied to Buyer in production quantities, will conform to any specifications listed in the "Specifications" section of such Work Sheet provided by Seller with respect to that Product. Unless otherwise agreed in writing, Seller's sole obligation in the event of a breach of any warranty shall be to issue a credit for defective product if the amount of damage exceeds three percent (3%) of the total purchase amount for such product. Seller is not responsible for shop worn packages or damage caused during domestic shipment. Any damage resulting from shipment must be claimed immediately upon delivery so as to place carrier on notice of claim. Buyer agrees to make all claims for damages from shipping directly with carrier.
  
- b. Notification of Defect and Time Limitations. In the event Buyer asserts any defect in the delivery, Buyer must (a) notify the trucker at the time of the delivery of any alleged shortage, overage, or defect in the product, and (b) notify the Seller in writing of any alleged defect in the Product within ten (10) days after discovery thereof but not later than 60 days from receipt. Buyer shall identify the defect in such manner and provide such documentation as a Seller reasonably may require. Buyer shall return any alleged defective Product to Seller, F.O.B. at such location identified by Seller upon receipt of written request from Seller. Buyer must bring any lawsuit against Seller with respect to any Product within 180 days after providing notification of defect under this subparagraph or, if no notice is provided, within 180 days after such notice was required to be provided

under this subparagraph.

- c. LIMITATION OF WARRANTY. THE LIMITED WARRANTY SET FORTH IN SUBPARAGRAPH 5a ABOVE SHALL NOT APPLY TO ANY PRODUCT WHICH HAS BEEN ABUSED, ALTERED, MODIFIED, USED IN A MANNER NOT ORIGINALLY INTENDED, USED AFTER THE SHELF LIFE OF THE PRODUCT, OR STORED OR APPLIED IN A MANNER CONTRARY TO SELLER'S WRITTEN INSTRUCTIONS.
- d. DISCLAIMER OF WARRANTIES. EXCEPT AS EXPRESSLY PROVIDED IN SUBPARAGRAPH 5a ABOVE, SELLER MAKES NO REPRESENTATION OR WARRANTY WITH RESPECT TO THE PRODUCTS SOLD HEREUNDER, AND SELLER DISCLAIMS ALL IMPLIED WARRANTIES INCLUDING WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND FREEDOM FROM PATENT INFRINGEMENT. NO AGENT, EMPLOYEE OR REPRESENTATIVE OF SELLER HAS ANY AUTHORITY TO BIND SELLER TO ANY AFFIRMATION, REPRESENTATION OR WARRANTY EXCEPT AS STATED IN THIS AGREEMENT.
- e. Product Recall. In the event of a product recall Buyer agrees to cooperate and abide by Seller's recall protocol.

6. Security Interest. Buyer hereby grants to Seller a security interest in all Merchandise, whether or not it has been incorporated into other goods or otherwise become accessions, and in the whole into which Merchandise becomes an accession, and in all proceeds and products thereof, including without limitation cash, instruments, documents, letter of credit rights, accounts, payment intangibles and general intangibles, to secure the payment and performance of all obligations now or hereafter owing by Buyer to Seller, and such security interest shall remain valid and enforceable unless and until Buyer makes full payment to Seller for the Merchandise. Until payment, Seller shall be entitled to enter any premises to inspect the goods and if Buyer shall fail to make due payments for them, to retake and re-claim the goods in accordance with the Uniform Commercial Code ("UCC"). Buyer hereby appoints Seller its agent to execute all documents and do all things on its behalf in order to perfect and give full effect to the security interests of Seller pursuant to this Section and to maintain such rights or interests enforceable

against third parties in all jurisdictions where the goods may be situated. Buyer shall insure the Merchandise for its full insurable value and shall name Seller as a loss payee with respect to the Merchandise, as its interests may appear.

7. Default. In the event of any default by Buyer, Seller may exercise any and all rights and remedies provided by law. Buyer shall pay all costs of collection of any delinquent sum, including compensation made to any collection agency, and reasonable attorneys' fees, costs and expenses incurred, including fees, costs and expenses incurred in any bankruptcy proceeding.

8. Assignability. Buyer shall not assign any order without the prior written consent of Seller.

9. LIMITATION OF REMEDIES. SELLER SHALL HAVE NO LIABILITY FOR INDIRECT, INCIDENTAL, CONSEQUENTIAL OR SPECIAL DAMAGES OF ANY KIND. THESE LIMITATIONS ARE AGREED ALLOCATIONS OF RISK. UNDER NO CIRCUMSTANCE SHALL SELLER BE UNDER ANY OTHER LIABILITY (AND IN PARTICULAR SHALL NOT BE LIABLE FOR ANY CONSEQUENTIAL, INCIDENTAL, PUNITIVE OR INDIRECT LOSSES, INCLUDING ANY LOST PROFITS). UNDER NO CIRCUMSTANCES SHALL SELLER'S LIABILITY WITH REGARD TO THE PRODUCTS EXCEED THE PURCHASE PRICE PAID BY BUYER FOR THE PRODUCTS.

10. Confidentiality.

a. Buyer agrees that it will not, without the prior written consent of Seller, disclose to any third party (other than to its own employees, agents or contractors on a "need to know" basis) any Confidential Information (as hereinafter defined which relates to the Seller's business with Buyer. "Confidential Information" means information relating to (i) products, (ii) packaging, (iii) costs, prices, allowances, rebates, pricing structures or strategies, (iv) sales or purchase data, (v) new products, developments, methods and processes, whether patentable or unpatentable and whether or not reduced to practice, (vi) members and member Lists, (vii) technology and trade secrets, (viii) financial condition and results of operations, (ix) general corporate information, (x) operating data, (xi) names and addresses of employees, consultants and agents, (xii) information contained in this Agreement, and (xiii) all similar or related information in whatever form. Confidential Information does not include information that is

generally available to the public or information that becomes known to a party to this Agreement other than through disclosure by the other party under this Agreement or as a result of a breach of this Agreement or another confidentiality agreement. Parties agree to hold in strict confidence and not to use or disclose or commercialize any Confidential Information except upon the prior written consent of the other Party, which consent shall be within the other Party's sole discretion. Parties acknowledge that any and all of each Party's Confidential Information is and shall remain the proprietary information and property of each respective Party. Parties agree to use the degree of care necessary to maintain and protect any and all Confidential Information as confidential, and in no event less than reasonable care, and not to disclose or allow the disclosure of any Confidential Information to any person or entity other than their employees or agents that have a need to know such information to perform services hereunder. Parties shall remain liable for any breach of this provision by their employees or agents.

- b. Parties acknowledge that an adequate remedy at law in the event of breach of this provision may not be available and that either Party may suffer irreparable damage and injury in the event of a breach of this provision. [In such event each Party agrees that the nonbreaching Party shall be entitled to seek specific performance and injunctive relief to enforce this provision in addition to any other remedies that non-breaching Party may have at law.

11. General Provisions.

- a. Applicable Law. The validity, performance and construction of this Agreement shall be governed by the laws of the State of Florida USA.
- b. Exclusive Jurisdiction. The state and federal courts of the State of Florida shall have exclusive jurisdiction over any lawsuit or other legal proceeding arising out of this Agreement or relating to the Products. Seller and Buyer hereby consent to the jurisdiction of such courts.
- c. Modification and Waiver. No addition to or modification of this Agreement shall be binding upon Seller, and Seller shall not be

deemed to have waived any provision of this Agreement, except pursuant to a written document signed by a duly authorized officer of Seller.

d. Severability. If any provision of this Agreement is held to be unenforceable by final order of any court of competent jurisdiction, that provision shall be severed from this Agreement, and shall not affect the interpretation or enforceability of the remaining provisions of this Agreement.

e. Notices.

i. Form of Notice. All notices and other communications between the parties must be in writing.

ii. Method of Notice. Notices to Seller must be given by (i) personal delivery, (ii) a nationally-recognized, next-day courier service or (iii) first-class registered or certified mail, postage prepaid directed to

Far East Brokers & Consultants, Inc.  
Att: Eduardo Abboud  
3644 Philips Highway,  
Jacksonville FL 32207

and

via electronic mail to : *eabboud@fareastbrokers.com*

f. Litigation and Venue. This Agreement shall be construed and interpreted in accordance with the laws of the State of Florida and the federal laws of the United States applicable thereto. Florida courts (state or federal) will have the exclusive jurisdiction over any controversies regarding this Agreement; any action or other proceeding which involves such a controversy will be brought in such Florida courts located in Duval County Florida and not elsewhere. In the event of litigation each Party will bear its own costs and expenses including attorney's fees.

Agreed and executed this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

Buyer:

**Far East Brokers & Consultants, Inc**

\_\_\_\_\_

\_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_

Its: \_\_\_\_\_

Its: \_\_\_\_\_