



AUTHORIZED DISTRIBUTOR TERMS AND CONDITIONS OF SALE

1. ACCEPTANCE - RXL, Inc. is hereinafter referred to as "Seller" and the purchaser is hereinafter referred to as "Buyer." Any order that contains terms and conditions in addition to or inconsistent with the following shall not be binding upon Seller unless acceptance of each non-conforming term or condition is clearly and expressly made in writing by Seller, and failure of Seller to object to provisions contained in any purchase order or other communication from Buyer shall not be construed as a waiver of these terms and conditions nor as acceptance of any such provisions. Acknowledgements of Buyer's order forms, facsimile orders or "releases" shall not be construed to be a waiver, amendment, or modification of these terms and conditions. Seller is not responsible for typographical or written errors made in any quotations, orders or publications and all such errors are subject to correction.
2. SHIPMENTS - All shipments of product, unless otherwise agreed upon, will be made F.O.B. Point of Shipment. Freight will be allowed up to 10% of order value on orders in excess of **\$4000**(excluding free standing cabinets) to all points (with the exception of Alaska and Hawaii) within the United States and **\$1,000** USD to all points within Southern California (Los Angeles County, Orange County, Ventura County or 75 Mile radius from RXL Inc's Manufacturing address. 609 Science Dr. Moorpark, Ca 93021) provided RXL selects the method and routing of the shipment. If the purchaser specifies a manner or routing of shipment different from that determined by RXL, we will comply but ship product freight collect Prices quoted provide for standard packing for domestic shipment only. Buyer agrees to pay the charges for special packing if it is required for domestic shipment or export shipment.
3. DELIVERY - The promised delivery date is the best estimate of the time when the products will be shipped by Seller. Seller assumes no liability for loss of profits, special, incidental or consequential damages due to delays. RXL assumes no responsibility for collection of loss or damage claims. Evident loss or damage to a shipment must be indicated by a notation made by the carrier's agent on the delivery receipt before the receipt is signed. The notation must clearly specify the extent of loss, shortage or damage.
4. INSPECTION AND ACCEPTANCE OR REJECTION - All products are subject to inspection by Buyer upon delivery and, unless Seller is advised to the contrary in writing within fifteen (15) days after delivery, the products will be deemed to have been accepted as conforming with the requirements of the contract and free from all discoverable defects.
5. RETURN POLICY - With RXL authorization, Buyer may be permitted to return products in accordance with RXL' published Return Policy. One (1) return per year of standard product for credit with offsetting order of equal or greater value not to exceed 3% of the previous year's purchases. Any other returns are subject to a minimum 15% restocking charge. An approved RMA must accompany every return. All returns are subject to a 15% restocking charge with freight charges to be prepaid by the customer. In order for a product to be eligible for return it must be of current manufacture (produced in the last twelve months), unused, salable, and in original cartons. Any cost incurred by RXL to put product in condition for resale will be charged to the customer. This is in addition to the restocking fee. RXL cannot accept discontinued, made to order, or custom-built product as part of any return.



ANY WAIVER OR REDUCTION OF THE RESTOCK FEE OR CUSTOMER REQUESTED RETURNS MUST BE APPROVED BY THE VP SALES OR DESIGNATES.

6. PRICE - Quotation prices are firm for thirty (30) days from the date of the quotation, unless specifically stated to the contrary as part of a particular price quote, and are subject to change without notice after the expiration of this thirty (30) day period. Any variations in quantity specified and/or rate of delivery may necessitate a revision in price. Unless otherwise stated as part of price quote, all prices are F.O.B. factory. All products will be billed at prices in effect at time of shipment and, subject to change without notice, at a minimum billing charge of \$50 net plus transportation charges.
7. CLAIMBACK POLICY - The RXL, Inc. Claimback Form is to be made available to RXL, Inc. Customers for use with applicable transactions. Claimbacks for products invoiced by RXL, Inc. at invoice price will require the proper documentation to be processed prior to credit being issued by RXL, Inc. To receive a claimback the following documents are required: A completed RXL, Inc. Customer Claimback Form, a copy of the Customer shipping document to the job or contractor location OR a copy of Customer invoice verifying sale of product to contractor (pricing may be marked out as RXL, Inc. has no need for this information) *Note: Many Customer's monthly printouts/files that incorporate claimback information will satisfy the RXL, Inc. documentation requirement. Acceptance must be verified prior to submission. Claimbacks that are not accepted by RXL, Inc. will be charged back to the Customer's account, due for immediate payment. This category will include those claimbacks made without our quote number referenced and /or satisfactory supporting documentation and those that are for Customer shipments made after expiration date of the quote. Good accounting practices mandate claimbacks be made within reasonable periods of time. Orders invoiced by Customer must be claimed back to Universal no later than 90 days from invoice date. Periodic field audits may be conducted by RXL, Inc. to insure that quotes are being properly utilized. RXL, Inc. will provide notification to the customer and the responsible RXL, Inc. salesperson one to two weeks prior to the audit. At the customer location, the RXL, Inc. auditor will secure proof of the legitimacy of the quote by verifying shipment support in the form of invoices or bills of lading and will confirm that the quantities, by part number shipped, support the Customer claimback.
8. PAYMENT - The terms of payment for all orders, unless otherwise agreed upon, are thirty (30) days net (from date of invoice). If, in the judgment of Seller, the financial condition of Buyer at any time does not justify continuation of manufacture, or shipment on the payment terms specified, Seller may require full or partial payment in advance. If shipments are delayed by Buyer, payment dates will nevertheless be computed from the date on which Seller is prepared to make shipment. If payment is received and discount deducted on an invoice or invoices outside of the earned discount period, RXL will charge back the unearned discount and Buyer will be liable for immediate repayment. Additionally, a service charge will, without prejudice to any other rights of Seller to demand immediate payment, be added to Buyer's account in the amount of 1.5% per month (or whatever is maximum allowable in the state in which the Buyer is located) on the unpaid past due balance. In the event it becomes necessary to place Buyer's account with a collection agency or attorney, Buyer agrees to pay all cost and reasonable attorney's fees. Buyer further agrees that this is a Nevada contract construed according to Nevada law and that any litigation between the parties to this agreement will be exclusively within Nevada jurisdiction unless otherwise chosen by RXL.



9. TAXES - Seller's prices do not include any federal, state or local property, sales, use, excise or similar tax. Consequently, in addition to the prices specified, the amount of any present or future sales, use, excise, GST or similar tax imposed due to the sale of products or services shall be paid by Buyer unless Buyer furnished an acceptable tax exemption certificate in advance to Seller.
10. CATALOG ITEMS - Seller reserves the right to change the prices, discontinue, modify or alter any and all catalog items at any time without notice. Should such cancellation, modification or alteration prevent the delivery of all or part of any order, Seller will be excused from further delivery.
11. TITLE AND RISK OF LOSS - Title and risk of loss to the products supplied hereunder shall pass to Buyer at the F.O.B. shipping point.
12. WARRANTY. – RXL Warrants its products for a minimum of 10 years (120 months) The Limited Warranty shall be expressly IN LIEU OF any other express or implied warranty, condition, or guarantee on any product or part thereof. By purchasing any product from Seller, Buyer acknowledge, agrees, represents, and warrants that Buyer's sole and exclusive remedy against Seller is limited to the applicable provisions of the Limited Warranty. BUYER HEREBY ACKNOWLEDGES THAT NEITHER SELLER NOR ANYONE ACTING ON ITS BEHALF HAS MADE ANY AFFIRMATION OF FACT, REPRESENTATION, OR PROMISE RELATING TO ANY PRODUCT THAT IS THE BASIS OF THIS TRANSACTION OR WHICH CREATE AN EXPRESS WARRANTY. NO SAMPLE OR MODEL OR STATEMENT MADE IN ANY ADVERTISING, PAMPHLETS, BROCHURES OR SIMILAR MATERIALS HAS BECOME A BASIS OF THIS TRANSACTION OR WHICH CREATES AN EXPRESS WARRANTY. TO THE FULLEST EXTENT PERMITTED BY LAW, SELLER DISCLAIMS ANY IMPLIED WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, INFRINGEMENT, AND THOSE ARISING OUT OF PERFORMANCE OR DEALING OR USAGE OF TRADE OR ANY OTHER IMPLIED WARRANTY WITH RESPECT TO ANY PRODUCT.
13. CHANGES - For each Buyer requested product change, if approved by Seller, Seller will charge for all costs (\$100 minimum) necessary to make the change. These costs include, but are not limited to, engineering, drafting, order processing, tooling, hardware, re-work and scrap. In addition, any increase in the product price, caused by a product change, shall be charged to Buyer and Buyer agrees to pay same.
14. CANCELLATION AND RE-SCHEDULING –
 - a. Cancellation - Cancellation of an order for a standard product whose value exceeds \$10,000, within two weeks of the original RXL, Inc. promised ship date of that product would be subject to prior approval of the appropriate RXL, Inc. Inventory and Sales Managers. The representative without approval can cancel any line item for a standard product that is valued LESS THAN \$10,000 AND/OR is more than two weeks from the original RXL, Inc. promise date. If a customer wishes to cancel any line item, standard product, valued OVER \$10,000 AND/ OR within two weeks of the original RXL, Inc. promise date, the Regional Sales Manager must get approval. If an order for a custom product or a make to order product is canceled within 4 weeks of the original RXL, Inc. promised ship date of that product, RXL, Inc. will apply a cancellation fee. Specific charges will vary, depending on the involved model, quantity, status, and number of



unique components (if any). The Regional Sales Manager without approval can cancel any item for custom or make to order product that is valued LESS THAN \$10,000 AND/OR is more than four weeks from the original RXL, Inc. promise date. If a customer wishes to cancel any line item, custom or make to order product, valued OVER \$10,000 AND/OR within four weeks of the original RXL, Inc. promise date, the Regional Sales Manager must get approval.

- b. Re-Scheduling - Any line item, on any order, may be rescheduled by a RXL, Inc. Customer one time, for later shipment, by as much as four weeks. Subsequent reschedules or reschedules beyond four weeks of that line item may be permitted, but will be subject to prior approval of the appropriate RXL, Inc. Inventory and Sales Managers.
15. DELAY - Delay in delivery of any installment shall not relieve Buyer of its obligation to accept remaining installments. If Buyer delays shipment after completion of the products ordered by Buyer, title will pass to Buyer, and Seller will issue an invoice. Storage and handling costs will accrue to Buyer's account until shipment is made.
 16. FORCE MAJEURE - In the event either party is prevented from performing this contract by circumstances beyond its control, and without its fault, including without limitation, strikes, lockouts, fire, explosion, flood, disruption of supply, acts of God, war or other hostilities, acts of terrorism, banking or other systemic economic failure, riot or other civil commotion, embargoes or other governmental acts, orders or regulations, breakdown of machinery, and inability to obtain shipping facilities or supplies, the obligation of Seller to deliver and the obligation of Buyer to accept delivery of products or services hereunder during the period of such disability shall be suspended and the products or services so affected shall by mutual agreement either be eliminated from this contract without liability to either party or reasonable extensions of the time for performance will be granted.
 17. FAIR LABOR STANDARDS ACT - Products to be furnished or services to be rendered hereunder will be produced or performed in compliance with all applicable requirements of the Fair Labor Standards Act of 1938, as amended on the date hereof, and in compliance with all applicable regulation orders of the Administrator of the Wage and Hour Division issued under this Act.
 18. GOVERNMENT CONTRACTS - In the event this order is for products or services to be furnished by Buyer under any government contract or purchase order, Seller shall have all rights of Buyer that are available to Buyer under such government contract or purchase order, whether or not Buyer is a prime contractor or supplier to the government or is a subcontractor at any tier.
 19. GOVERNING LAW - The contract will be governed by and construed according to the laws of the State of Nevada.
 20. REVISIONS - RXL reserves the right to revise or amend any or all items contained herein.



21. REQUIRED PROVISIONS DEEMED INSERTED - Each and every provision of any applicable law, regulation and/or clause which is required by any applicable law or regulation to be inserted in this Terms and Conditions of Sale shall be deemed to be inserted herein, and this Terms and Conditions of Sale shall be read and enforced as though it were included herein, and if through mistake or otherwise any such provision is not inserted, or is not correctly inserted, then upon the written application of Seller or Buyer, this Terms and Conditions of Sale shall forthwith be automatically amended to make such insertion or correction.