

TERMS AND CONDITIONS OF SALE

1. **SALE.** As used herein - the term "Seller" shall mean Zephyr Lock, LLC or any of its respective affiliates, divisions, subsidiaries and the term "Buyer" shall mean the person, firm or corporation purchasing goods, services, equipment and/or products of any kind (the "Products") hereinafter supplied by Seller to Buyer.

The terms and conditions of sale contained herein apply to all quotations made and orders entered by the Seller, it is expressly understood and agreed that the terms and conditions contained herein supersede any terms and conditions affixed to any form end or order blank specified by the Buyer. Seller's failure to object to provisions contained in any communication from Buyer shall not be deemed a waiver of the provisions hereof. Any changes in the terms and conditions contained herein must be specifically agreed to in writing by an officer of the Seller before becoming binding on the Seller.

2. **PRICE.** Prices for all of Seller's products shall be in accordance with Seller's price list of products at time of order, unless otherwise specifically agreed to between Buyer and Seller.

All prices listed and quoted by Seller are exclusive of any federal, state or municipal sales, use or other similar taxes which Seller may be required to collect or pay upon sales or delivery of its products to the Buyer, and Buyer shall be responsible for payment of such taxes.

3. **PAYMENT TERMS.** The payment terms shall be Net 30 days from invoice date, unless otherwise conveyed in writing to the Buyer from the Seller. Seller reserves the right to suspend or terminate at any time and for any reason whatsoever, any credit terms previously extended to Buyer.

Any outstanding balances unpaid on the date when due to Seller shall be subject to a Finance Charge of 1½ % per month of such balance until paid or the maximum interest rate allowed by applicable law, whichever is less.

4. **TITLE AND SECURITY INTEREST.** Title to the Products sold hereunder shall pass to Buyer upon delivery by Seller. Buyer hereby grants to WIND, a continuing purchase money security interest in all products purchased, together with all attachments, replacements, accessions, parts and substitutions, additions, repairs and accessories incorporated therein or affixed thereto, and proceeds thereof (collectively, the "Products"), as described in this Agreement to secure (a) payment and performance of all of Buyer's obligations under this Agreement, and (b) to the extent permitted by law, indebtedness now or hereafter owing by Buyer to Seller or its assignees. Buyer agrees to execute financing statements or other documentation, and to take such other and further action as may be required by Seller, for the purposes of maintaining and perfecting such security interests. Buyer agrees to execute and hereby irrevocably authorizes Seller, its Attorney-In-Fact, in its name and on its behalf to execute any financing statements, or other documents as Seller may request in order to protect Seller's security interest. The forgoing power of attorney shall be coupled with an interest and therefore irrevocable. Upon any default by Buyer hereunder, Seller shall have all rights and remedies of a secured party under the Uniform Commercial Code, which rights shall be cumulative.

5. **DELIVERY.** Delivery terms are F.O.B. shipping point. Delivery shall be deemed to have been made when Buyer's shipment has been placed in Seller's shipping area awaiting pick-up by carrier or by Buyer or Buyer's agent.

Risk of loss on all Products shall pass to Buyer upon delivery as herein provided. Buyer shall also be held responsible for storage charges should the products be held by Seller at the request of Buyer pending shipping instructions. In the absence of instructions as to shipping, Seller shall select a carrier and Seller shall have no liability for such shipment.

6. **RETURN POLICY.** Merchandise may not be returned to Seller for credit or exchange unless a return authorization is issued in advance and in writing. Any creditor returns will be at salvage value as determined by Seller after inspection of the items. Return goods are subject to a re-stocking charge.

7. **DISCLAIMER OF WARRANTIES.** To the extent permitted by applicable state law, THE PRODUCTS SHALL BE SUBJECT ONLY TO SUCH WARRANTIES AS MAY BE SPECIFIED ON SUCH PRODUCTS OR ANY LITERATURE ACCOMPANYING THEM AND SUCH WARRANTIES SHALL BE IN LIEU OF ALL OTHER WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. IN NO EVENT SHALL SELLER BE LIABLE FOR ANY INCIDENTAL OR CONSEQUENTIAL DAMAGES IN CONNECTION WITH ANY OF THE PRODUCTS. SOME STATES DO NOT ALLOW THE EXCLUSION OR LIMITATION OF INCIDENTAL OR CONSEQUENTIAL DAMAGES, SO THE FORGOING EXCLUSION THEREOF MAY NOT APPLY TO PARTICULAR SALES. SELLER HAS NOT MADE AND DOES NOT MAKE ANY WARRANTY OR REPRESENTATION WHATSOEVER, EITHER EXPRESS OR IMPLIED, AS TO THE FITNESS, CONDITION, MERCHANTABILITY, DESIGN OR OPERATION OF THE PRODUCTS, THEIR FITNESS FOR ANY PARTICULAR PURPOSE, THE QUALITY OR CAPACITY OF THE MATERIALS IN THE PRODUCTS OR WORKMANSHIP IN THE PRODUCTS, SELLER'S TITLE TO THE PRODUCTS, OR ANY OTHER REPRESENTATION OR WARRANTY WHATSOEVER, AND SELLER HEREBY SPECIFICALLY DISCLAIMS ANY AND ALL SUCH WARRANTIES. THE PRODUCTS ARE ACCEPTED BY BUYER ON AN "AS IS" BASIS, "WITH ALL FAULTS", SUBJECT TO ANY MANUFACTURER'S WARRANTIES, IF ANY.

Seller shall not be liable to Buyer for any loss, damage, or expense, direct, consequential or otherwise, caused directly or indirectly by any of the Products. No defect or unfitness of the Products shall relieve Buyer of the obligation to pay any installment or perform any other condition under this Agreement. Buyer hereby assigns to Seller, upon the occurrence of any Event of Default, as defined in this Agreement, any supplier's or manufacturer's warranty or agreement with respect to the Products, to the extent that such warranty or agreement is assignable.

8. **INSURANCE.** Buyer shall provide, maintain and pay for physical damage insurance against the loss or theft or damage to the Products, for the full replacement value, designating Seller as loss payee. Buyer will also maintain insurance against such other risks and in such amounts as Seller may require. All insurance shall contain the insurer's agreement to give 30 days written notice to Seller before cancellation of any policy of insurance. Buyer shall deliver the policies or copies thereof or certificates of insurance to Seller promptly upon demand.
9. **GENERAL INDEMNITY.** Buyer shall indemnify and hold Seller harmless from and against any and all claims, losses, liabilities, damages, judgments, suits, and all legal proceedings of any nature whatsoever, including, but not limited to, negligence, tort, and strict liability, and any and all costs and expenses in connection therewith, including attorneys' fees, arising out of or in any manner related to, (a) the manufacture, purchase, financing, ownership, delivery, rejection, non-delivery, possession, use, transportation, storage, operation, maintenance, repair, return or other disposition of the Products, or (b) this Agreement, including without limitation, claims for injury to or death of persons and for damage to property. Buyer shall immediately give Seller written notice of any such claim or liability.
10. **EVENTS OF DEFAULT.** An Event of Default shall occur hereunder if Buyer or any Guarantor of their obligations imposed by this Agreement: (a) fails to pay any payment when due; or (b) fails to perform or observe any other covenant, condition or agreement to be performed or observed by Buyer hereunder, or either breaches any representation or provision contained herein; or (c) attempts remove, sell, transfer, encumber, part with possession, lease or rent any item of Products or assign Buyer's rights or duties hereunder; or (d) institutes insolvency, bankruptcy or reorganization proceedings, or such proceedings are instituted against Buyer or any guarantor, Buyer or any guarantor makes a general assignment for the benefit of, or enters into any composition arrangement with creditors; or (e) shall, at any time, be in default under any other agreement with Seller; or (f) shall create, incur, assume or allow to exist any mortgage, lien, pledge or other encumbrance or other attachment of any nature upon, affecting or with respect to the Products or this Agreement; or (g) dies, or if Buyer Guarantor is a corporation, partnership or other entity, the

dissolution or termination of existence of such corporation, partnership or other entity, or the sale or transfer a majority or controlling interest in such corporation, partnership or other entity; or (h) has made a representation, warranty or statement which is false in any material respect when made or furnished; or (i) performs or fails to perform any other act, as a result of which Seller reasonably deems itself insecure or Seller reasonably deems the Products to be in jeopardy. Additionally, an Event of Default shall occur if there is a loss, theft, or substantial damage to the Products which is not fully compensable under any policy of insurance. The failure of Seller to require strict performance by Buyer of any provision of this Contract shall not constitute a waiver of any right of Seller hereunder. No waiver by Seller of any breach or default shall constitute a waiver of any other breach or default by Buyer or a waiver of any right of Seller hereunder.

11. **REMEDIES.** Upon the occurrence of any Event of Default, Seller may, in its sole discretion, do any one or more of the following: (a) accelerate all sums due and owing or to become due and owing pursuant to this Agreement; (b) institute suit against Buyer to enforce performance by Buyer of the covenants, terms a provisions of this Contract; (c) require Buyer to assemble the Products and make the Products available to Seller at a place to be designated by Seller; (d) enter upon any premises where any of the Products are located and repossess any or all of the Products; (e) sell any or all of the Products at public or private sale; (f) lease or otherwise dispose of any or all of the Products; (g) recover from Buyer the reasonable expenses of retaking, holding, preparing for sale or lease, selling, leasing, and the like, and reasonable attorneys' fees and expenses incurred by Seller; (h) exercise any other right or remedy which may be available to it.
12. **USURY.** Notwithstanding any provision contained herein to the contrary, in no event shall interest accrue or be payable in excess of the highest lawful rate, and the interest rate charged shall be reduced to the highest amount allowed by law.
13. **WAIVER OF JURY TRIAL.** Seller and Buyer shall and hereby do waive trial by jury in any action, proceeding or counterclaim brought by either of the parties hereto against the other in any matter arising out of or in any way connected with this Agreement.
14. **COMMERCIAL TRANSACTION.** Buyer hereby acknowledges that the execution and delivery of this Agreement is for commercial purposes and waives any right to notice or hearing under Connecticut General States Sections 52-278a through 52-278m, inclusive, as now or hereafter amended, or any successor act thereto, and authorizes the attorney of Seller to issue a writ for a prejudgment remedy without court order or prior hearing.
15. **BENEFIT.** Except as otherwise provided herein, this Agreement shall be binding upon Seller, Buyer and their respective heirs, successors and assigns. (This reference to Buyer's assigns shall not constitute a consent by Seller to any assignment of this Agreement by Buyer.) If Buyer is more than one person or entity, all obligations imposed upon Buyer are joint and several. In the event that this Agreement is referred to an attorney for collection, Buyer agrees to pay a reasonable attorney's fee, to the extent permitted by applicable law.
16. **FORCE MAJEURE.** Seller shall not be liable for any damages or penalty for delay in delivery or by failure to give notice of delay when such delay is due to the elements, acts of God, acts of the Buyer, acts of civil or military authority priorities, fires or floods, or epidemics, quarantine restrictions, war, riots, strikes, differences with workmen, accidents to machinery, car shortages, delays in transportation, delays in delivery by Seller's vendors, or any other causes beyond the reasonable control of Seller. The delivery date shall be deemed extended for a period of time equal to the time lost due to any delay excusable under this clause.
17. **SEVERABILITY.** Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid, but if any provision shall be held to be prohibited or invalid, such provision shall ineffective only to the extent of such prohibition or invalidity without invalidating the remainder of such provision or the remaining provisions of this Agreement.
18. **GOVERNING LAW.** This Agreement shall be governed by and construed in accordance with the laws of the State of Connecticut. Buyer agrees to submit to the jurisdiction of the State of Connecticut, with venue of any action instituted in connection with this Contract being the judicial district of Danbury, CT, unless Seller, in its sole discretion, chooses some other forum.
19. **ENTIRE AGREEMENT.** This Agreement constitutes the entire understanding and agreement between Seller and Buyer, and there are no understandings or agreements between the parties, oral or written, which are not set forth herein. This Agreement may not be amended except by written agreement signed by Seller and Buyer.