



TERMS AND CONDITIONS

ORDER PROCESSING

(a) Unless otherwise specifically agreed in writing by an authorized representative of Airport Lighting Systems, Inc. (Seller) the following terms and conditions of sale shall apply to all contracts resulting from Airport Lighting Systems, Inc.'s acceptance of customer's order for products, materials, supplies, components, drawings, data or any other items. All quotations and bids, and the acceptance of all contracts and orders, are subject to final written approval and acceptance by Airport Lighting Systems, Inc.

(b) Airport Lighting Systems, Inc. will accept orders and bill in accordance with published prices on Airport Lighting Systems, Inc.'s formal quote forms and terms found herein, even though incorrect or conflicting prices and terms may appear on the customer's purchase order.

(c) Prices are stated in U.S. dollars, are exclusive of sales, use, excise or similar taxes, and are subject to any price adjustment necessitated by Airport Lighting Systems, Inc.' compliance with applicable laws or any act of government.

(d) Acceptance of any order is subject to credit approval and acceptance of order by Seller. If customer fails to comply with these terms and conditions of sale or if customer's credit becomes unsatisfactory to Seller, Seller reserves the right to terminate upon notice to customer and without liability to Seller.

(e) Customer's Requirements: Material and equipment included in all quotations provided by Seller are based on Seller's interpretation of customer's requirements and are subject to verification by customer or his representative. Quotations provided by Seller does not include accessory equipment unless such items are listed.

TERMS

DOMESTIC ORDERS

With approved credit to customer by Airport Lighting Systems, Inc. payment terms are net 30 days after date of invoice. Seller reserves the right to modify or withdraw credit terms at any time without notice and to require guarantees, security or payment in advance of the amount of credit involved or payment in advance of shipment of products if the customer fails to fulfill the terms of payment. Seller may defer further shipments to the customer or, at its option, cancel the unshipped portion of the customer's order. The customer agrees to pay interest on all past due invoices at the rate of 1% per month. Payments are to be in United States currency.

EXPORT ORDERS

Unless Airport Lighting Systems, Inc. has agreed in writing to extend credit, the customer shall make payment for export orders as follows:

(a) Payment must be made through a letter of credit, established by the customer at its own expense, including any bank confirmation charges. Letters of credit shall be in favor of and acceptable to Airport Lighting Systems, Inc., shall be in sufficient amounts and for the period necessary to meet all payment

obligations, shall be payable upon presentment of invoice and bill of lading, and shall be unconditional, irrevocable, and confirmed by a U.S. bank acceptable to Airport Lighting Systems, Inc.

(b) Partial shipments shall be permitted at Airport Lighting Systems, Inc.' discretion unless otherwise agreed by Airport Lighting Systems, Inc. and customer in writing at the time the customer places its order.

(c) Charges for insurance, freight, dock handling, storage, forwarding and related items, when quoted by Airport Lighting Systems, Inc., are ESTIMATES ONLY. Such charges shall be for customer's account and invoiced at actual charges.

(d) Export packaging or any special handling requested by customer shall be at customer's expense.

(f) If credit terms have been extended to the customer by Airport Lighting Systems, Inc., payment terms are net 30 days after date of invoice. Airport Lighting Systems, Inc. reserves the right to modify or withdraw credit terms at any time without notice and to require guarantees, security or payment in advance of the amount of credit involved, or payment in advance of shipment of products, if the customer fails to fulfill the terms of payment. Airport Lighting Systems, Inc. may defer further shipments to the customer or, at its option, cancel the unshipped portion of the customer's order.

Customer agrees to pay Airport Lighting Systems, Inc. interest on all past due invoices at the rate of 1% per month. Payments are to be in United States currency and shall be made by customer without regard to exchange rate fluctuations.

PRICING

(a) Billing Price: Orders, except "Hold for Release" and orders with deferred ship dates, will be billed at the price in effect at the acceptance of the order. "Hold for Release" orders will be billed at price in effect on date of release. Deferred orders will be billed at prices in effect on date of shipment.

(b) Claims for billing errors on invoices must be made to Airport Lighting Systems, Inc. within 30 days from the date of the invoice.

(c) Price Protection: Written quotations are firm for 30 days from the date of the Airport Lighting Systems, Inc. quotation.

(d) Cancellation: Orders may be cancelled only with Airport Lighting Systems, Inc.' prior written consent. In order to reimburse Airport Lighting Systems, Inc. for all applicable costs incurred by virtue of the order, including costs of purchased materials, engineering costs, and a reasonable allowance for profit, a cancellation charge may be made when an order is cancelled. Partial cancellation of an order may necessitate a small order handling charge and eliminate prepayment of freight.

(e) Additions to orders already processed will be considered separate orders.

(f) Partial shipments made at the customer's request will be considered as separate orders for determination of shipping charges, freight prepayment, and whether the small order handling charge applies.

ADDITIONAL CHARGES

(a) An extra charge will be made for special packing.

TAXES

Airport Lighting Systems, Inc. reserves the right to add to the price of such products at any time an amount equivalent to any duties, imports, revenues, sales, use, excise or other taxes which may be imposed and made applicable to its products.

SHIPMENT AND DELIVERY

(a) All material is sold FOB Shipping Point. Risk of loss passes to customer upon delivery to the Common Carrier at Airport Lighting Systems, Inc. Point of Shipment. (The customer should file with the transportation company any claim for loss or damage in transit within 30 days from the date of delivery or what would be considered the normal delivery date. Since shipments are made at released value, customer should carry its own insurance for any deficiency in carrier coverage.) Risk of loss for damages to the products sold hereunder passes to the customer upon delivery to the carrier regardless of F.O.B point. Title to the products sold hereunder passes to customer upon payment of the full purchase price.

(b) Shipment will be made by surface freight FOB Shipping Point. For all orders totaling \$3,500.00 net or more, freight will be prepaid and allowed to any free delivery point on a common carrier to any state of the United States except Alaska and Hawaii. Freight on shipments to Alaska or Hawaii will require a minimum value of \$4,000.00 net to earn prepaid and allowed freight. No freight allowed for orders under \$3,500.00 net. Such orders will be shipped freight collect. No freight allowance will be made on shipments forwarded collect at the request of the customer.

(c) Airport Lighting Systems, Inc. will use its own discretion in routing all shipments upon which it assumes transportation charges. Where practical to do so, shipments will be made in any manner requested by the customer, if the customer will assume the extra transportation costs.

(d) Express, parcel post and air shipments amounting to \$3,500.00 net or over will be made, at the customer's request, with transportation charges collect or prepaid and added to the invoice.

e) Partial shipments made at the customer's request must each total \$3,500.00 net or more for prepaid transportation. No freight allowed or partial shipments under \$3,500.00 net. Such orders will be shipped freight collect.

Customer partial shipments are limited to the following number of shipments per net dollar value:

<\$10K 1 Shipment \$100-\$500K 4 Shipments \$10-\$50K 2 Shipments \$500K-\$1M 5 Shipments \$50-\$100K 3 Shipments \$1M+ 6 Shipments.

(f) Delay in delivery- Seller is not to be accountable for delays in delivery if caused by and legislative, administrative or executive law, order or requisition of the Federal Government or any State or Municipal Government or any subdivision, department, agency, officer of official thereof, or if caused by, but not limited to, strike, fire, floods, accidents, delays of carrier, inability to obtain suitable and sufficient labor, and necessary supplies of raw materials or other unavoidable contingencies beyond Seller's control. In no case shall Seller be liable for any consequential or special damages arising from any delay in delivery.

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f) Unless otherwise agreed by Airport Lighting Systems, Inc. and the customer in writing, Airport Lighting Systems, Inc. may make partial shipments at its discretion. In the case of partial shipments of an order, Airport Lighting Systems, Inc. will invoice each shipment as it is made, but on terms applicable to the entire order.

g) Airport Lighting Systems, Inc. will not assume, allow, or pay any charges for cartage. The customer should inspect all material upon receipt. All claims for damages, errors or shortages, other than attributable to in-transit handling, must be made by the customer within thirty (30) days from receipt of the shipment at destination. The customer's failure to make such claims within a thirty (30) day period shall constitute irrevocable acceptance of the material. The customer must report damage or loss attributable to in-transit handling to the transportation company and request inspection within 30 days from the date of delivery.

(h) Airport Lighting Systems, Inc. will make reasonable efforts to ship as scheduled. However, Airport Lighting Systems, Inc. shall not be liable for any failure to perform or delay in performing its obligations under this agreement resulting directly or indirectly from or contributed to by any strikes, lockouts, or

other labor disturbances, fires, floods, epidemics, war, riot, or embargoes, breakdowns, lack of or inability to obtain raw materials, components, labor, fuel or supplies, lack of shipping space, lack of customer approvals, correction or clarification of orders, governmental regulations, acts of God, or any circumstances beyond the control of Airport Lighting Systems, Inc..

(i) Orders received with a "HOLD" (for release, for approval, etc.) are not processed for manufacture until written release is given. Normal shipping time will apply starting from time of release.

ORDER INSTRUCTION

Airport Lighting Systems, Inc. cannot accept standing, general, or blanket instructions. Each transaction must be accompanied by full instructions on the order itself.

RETURN OF MATERIAL

Material may be returned for credit only when authorized in writing by Airport Lighting Systems, Inc., which may include a 30% restocking fee.

GOVERNMENT RESTRICTIONS

The acceptance, processing and fulfillment of orders will be subject to and contingent upon restrictions and conditions imposed by the governments having jurisdiction over points of manufacture or passage of the merchandise.

LIMITED WARRANTY

Products (excluding lamp) are warranted against defects in workmanship and material for a period of one year from the date of installation or two years from date of shipment from the factory, provided that no warranty is made with respect to:

(a) any product which has been repaired or altered in such way, in Airport Lighting Systems, Inc.'s judgment, as to affect the product adversely,

(b) any product which has, in Airport Lighting Systems, Inc.'s judgment, been subjected to negligence, accident, or improper storage,

(c) any product which has not been operated and maintained in accordance with normal practice and in conformity with recommendations and published specifications of Airport Lighting Systems, Inc., and

(d) any products, component parts or accessories manufactured by others but supplied by Airport Lighting Systems, Inc. (any claims should be submitted directly to the manufacturer thereof). **THE FOREGOING WARRANTY IS EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES, WHETHER EXPRESS, IMPLIED OR STATUTORY, INCLUDING, BUT NOT BY WAY OF LIMITATION, ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE. AIRPORT LIGHTING SYSTEMS, INC.' OBLIGATION UNDER THIS WARRANTY IS LIMITED TO THE FURNISHING OF NEW PARTS FREE OF CHARGE IN EXCHANGE FOR PARTS WHICH HAVE PROVEN DEFECTIVE AND DOES NOT INCLUDE ANY OTHER COSTS SUCH AS THE COST OF REMOVAL OF DEFECTIVE PARTS, INSTALLATION, LABOR, OR ANY OTHER DAMAGES OF ANY KIND, THE EXCLUSIVE REMEDY OF THE PURCHASER FOR BREACH OF WARRANTY BEING TO REQUIRE SUCH NEW PARTS TO BE FURNISHED.** Airport Lighting Systems, Inc. assumes no responsibility for proper selection and installation of its products.

LIMITATION OF LIABILITY

Airport Lighting Systems, Inc.' entire liability and customer's exclusive remedy shall be as follows: In the event that customer claims that Airport Lighting Systems, Inc. has breached any of its obligations under this agreement, whether of warranty or for any cause whatsoever, whether in contract or in tort, including negligence and strict liability, Airport Lighting Systems, Inc. may request the return of the products and tender to customer the purchase price paid therefore, and in such event, Airport Lighting Systems, Inc. shall have no further obligations under this agreement except to refund such purchase price upon redelivery of the products. **THE REMEDIES PROVIDED FOR IN THIS AND THE PRECEDING PARAGRAPH**

SHALL CONSTITUTE THE SOLE RECOURSE OF CUSTOMER AGAINST AIRPORT LIGHTING SYSTEMS, INC. FOR BREACH OF ANY OF AIRPORT LIGHTING SYSTEMS, INC.' OBLIGATIONS UNDER THIS AGREEMENT, WHETHER THE CLAIM IS MADE IN TORT OR CONTRACT, INCLUDING CLAIMS BASED ON WARRANTY, NEGLIGENCE, STRICT LIABILITY, OR OTHERWISE.

IN NO EVENT SHALL AIRPORT LIGHTING SYSTEMS, INC. BE LIABLE FOR SPECIAL, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES (REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT OR TORT, INCLUDING NEGLIGENCE AND STRICT LIABILITY) NOR FOR LOST PROFITS, NOR SHALL AIRPORT LIGHTING SYSTEMS, INC.' LIABILITY FOR ANY CLAIMS OR DAMAGES ARISING OUT OF OR CONNECTED WITH THIS AGREEMENT OR THE MANUFACTURE, SALES, DELIVERY OR USE OF THE PRODUCTS EXCEED THE PURCHASE PRICE OF THE PRODUCTS.

GOVERNING LAW

These Standard Terms and Conditions of Sales, together with Airport Lighting Systems, Inc.' acknowledgment of customer's order, contain the entire agreement between the customer and Airport Lighting Systems, Inc. and may not be modified, waived, rescinded, or terminated in whole or in part except by a writing signed by the party against whom it is to be enforced. Any different or additional terms and conditions proposed by customer in its order or otherwise are hereby rejected by Airport Lighting Systems, Inc. and shall not be incorporated into this agreement. This agreement shall be governed by and interpreted in accordance with the laws of the State of Texas, including its provisions of the Uniform Commercial Code. In the case of export orders, Airport Lighting Systems, Inc. and customer agree that such laws shall govern the parties' agreement instead of the provision of the 1980 U.N. Convention on Contracts for the International Sales of Goods.

NOTIFICATION

The product information published in catalogs, via Seller's website and literature is not guaranteed. It has been compiled with care and is sufficiently accurate for most purposes. It is subject to change without notice. Occasionally it may be necessary to modify the materials, finishes, or other components of the product without reducing the performance or function of the product.

CONFIDENTIAL INFORMATION

The customer agrees that it will not disclose to Airport Lighting Systems, Inc. any confidential information of the customer unless Airport Lighting Systems, Inc. has, prior to such disclosure, agreed in writing to accept such information as confidential under clearly defined obligations of confidence. The customer agrees that all information disclosed by it (except such information as is specifically subject to a written confidentiality agreement which has been executed by Airport Lighting Systems, Inc. prior to such disclosure) is non-confidential information, and that Airport Lighting Systems, Inc. is free to use and disclose any of such information without accounting to customer therefor. Airport Lighting Systems, Inc. shall not be obligated to treat as confidential any information already known by it, or information that is or becomes public knowledge without the fault of Airport Lighting Systems, Inc., or information that is properly acquired by Airport Lighting Systems, Inc. from a third party.

PATENTS

Airport Lighting Systems, Inc. expressly disclaims any warranty that the products sold to customer do not infringe any intellectual property right of any third party, including, without limitation, any patent granted to such third party by any governmental or other body.

ASSIGNMENT

This agreement is not assignable without the prior written consent of Airport Lighting Systems, Inc. Any attempt by the customer to assign any of the rights, duties, or obligations of this agreement without such consent shall be void.