



ADVANCED TEST EQUIPMENT CORPORATION
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RENTALS • SALES • SERVICE • SOLUTIONS

TERMS AND CONDITIONS FOR SALE OF EQUIPMENT

General Terms

The following are the terms and conditions applicable to rental, sales, and service of equipment from Advanced Test Equipment Corporation, Advanced Test Equipment Rentals, Advanced Test Equipment Sales, and Advanced Test Equipment Service. These entities herein after will be referred to as A.T.E. It is agreed and understood that proper legal jurisdiction and venue resides in San Diego, CA for all agreements entered into henceforth. These terms and conditions will prevail over any similar or conflicting terms and conditions of customer.

Acceptance of equipment by customer constitutes the exclusive and binding agreement by the customer to be bound by these terms and conditions covering the purchase or rental of the goods, equipment and or service of such goods and equipment ordered. The term "equipment" means all hardware, software, firmware, manuals, accessories, options, pouches and containers related to the products set forth.

Customer will be in default thereunder if it fails to pay any sum due to A.T.E within payment term granted, or fails to timely perform any other obligation owing to A.T.E., or if any bankruptcy or similar proceedings under federal or state law are filed by or against customer. Upon the occurrence of any default, A.T.E. will: (1) terminate the rental of all products or equipment rented to customer under any and all agreements, (2) require customer to assemble and return all such products and/or equipment, or repossess all such products and/or equipment, and (3) recover from customer all amounts payable hereunder.

A.T.E. does not have any duty to account to customer for the proceeds of any disposition of equipment subsequent to return or repossession. All rights and remedies of A.T.E. on default are cumulative and will be exercised simultaneously or successively. No waiver of any one default will waive any other or subsequent default.

Customer indemnifies and holds A.T.E. harmless for any damage done by rented or leased equipment to other equipment projects or personnel and will insure A.T.E. against any such liability.

Customer is responsible for all loss, theft, mysterious disappearance, damage due to fire, flood, wind, or any other cause while equipment is in customer's possession or in transit via any common special carrier or courier.

Specific Terms and Conditions for Equipment Sales

1. The sale invoice the customer will receive from A.T.E. is based upon agreed payment term, description of equipment, and the original sale price between A.T.E. and customer. Shipping and taxes will be added as necessary.
2. Customer recognizes that A.T.E. is primarily a rental company and has the right to charge a monthly rental fee of up to 10% of the last published manufacturer's list price on all equipment. In the event customer defaults on payment or payment term, A.T.E., will void the sale invoice and begin assessing monthly rental fees as of the shipment date to customer. Additionally, A.T.E. will repossess equipment at customer's expense.

Pricing and Payment Term

3. Customer agrees that prices specified by seller are acceptable and are presumed to be fair and reasonable.

4. All payments must be paid in United States dollars, unless requested otherwise from customer and approved by A.T.E.
5. The payment term is to be paid in advance, unless requested otherwise from customer and approved by A.T.E.
6. If customer requests payment arrangements other than payment in advance, customer must cooperate in the completion and submission of credit statements to A.T.E.'s accounting department.
7. For new domestic customers (United States), a minimum billing of \$500.00 is required to request a credit account with A.T.E.
8. For new international customers (outside United States) other than Canada, a minimum billing of \$3,000.00 is required to request a credit account. Canada is subject to a \$1,500.00 minimum billing to request a credit account.
9. All credit evaluations are predicated upon customer's credit worthiness, credit history, financial stability, and ability to pay, and are determined without prejudice to race, religion, sex, national origin, age, or any other characteristic protected by law. All credit evaluations are final.
10. If credit terms are granted, any sums not paid within the payment term are subject to a 1.5% finance charge per month, or what the current law permits.
11. Any invoice that remains unpaid after the due date is considered delinquent.
12. Non payment or delinquent payment annuls any and all warranties.
13. Customer understands and agrees that all required collection fees, legal expenses, and interest will be charged to debtor in the event of default, or failure to pay by debtor.
14. No installment or payment plan is expressed or implied, and total amount is due according to the payment term established in writing with customer prior to shipment of equipment.
15. A.T.E. does not modify a payment term once it is established between customer and A.T.E.
16. In the event customer defaults on payment, A.T.E. will terminate the sale agreement and repossess all A.T.E. equipment at customers expense.

Title of Sale Equipment

17. Title remains with A.T.E. until customer fulfills all payment obligations to A.T.E.
18. Customer must keep equipment free from all liens, levies, and encumbrances up until all payment obligations for equipment have been fulfilled.

Warranty

19. A.T.E. warrants only that equipment when delivered will be in good operating and physical condition, unless otherwise agreed to in writing.
20. A.T.E. warranty for equipment is only valid 90 days from shipment date, unless otherwise agreed to in writing.
21. The sole obligation of A.T.E. under the foregoing warranty shall be to repair, or replace any equipment that fails to meet said warranty, and such obligation will constitute the sole and exclusive remedy of customer.
22. In no event will A.T.E. be liable to customer for any consequential, incidental, or exemplary damages, such as loss of revenues or use of any equipment or damage to other equipment, cost of substitute equipment or down time costs.
23. A.T.E. is not responsible for any damages resulting from human or calibration error.
24. A.T.E. will not be responsible for any delays or failures in making repairs, or sending replacement equipment, due to unavailability of parts or labor, strikes, delays in transportation or other causes beyond A.T.E.'s control.
25. The foregoing warranty will not apply to any damage to equipment caused by accident, abuse, negligence, or misuse by customer.
26. A.T.E. IS NOT THE MANUFACTURER OF ANY EQUIPMENT. A.T.E. DISCLAIMS ALL OTHER WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF SUITABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OF THE EQUIPMENT OR PROPRIETARY RIGHT OF ANY THIRD PARTY.

Freight and Shipping

27. All equipment is shipped to and from A.T.E. at customer's expense, unless otherwise agreed to in writing.
28. All shipping arrangements must be designated by customer and shipped freight collect unless otherwise agreed to in writing.
29. Any request other than freight collect on customer account is subject to the standard freight rate of the courier or carrier.
30. It is customer's obligation to notify A.T.E. when equipment is being returned to A.T.E.
31. All equipment is shipped F.O.B. point of origin.

Insuring Equipment

32. It is customer's responsibility to insure all shipments for full, new replacement value.
33. In the event appropriate insurance is not obtained it will be assumed that customer wishes to self-insure.
34. It is customer's responsibility to file damage claims with courier or carrier.
35. Customer accepts responsibility to insure all equipment purchased from A.T.E. against loss, theft, or any damage due to fire, flood, wind, or any other calamity caused by man or nature.

Reporting discrepancies upon receipt of equipment

36. Upon receipt of equipment, it is customer's obligation to immediately inspect equipment to confirm equipment received is; (a) as stated on packing list (b) as agreed to in writing between A.T.E. and customer (c) not damaged due to shipping d) in good operating and physical condition.
37. A.T.E. only guarantees that equipment shipped to customer is as specified per written agreement between A.T.E. and customer, and that equipment will be covered under A.T.E. warranty.
38. In the event there are discrepancies with packing list and equipment received by customer, customer is dissatisfied with equipment, equipment fails, and/or equipment is received damaged, customer is obligated to notify A.T.E. within time allowed as follows: A.T.E. ALLOWS 72 HOURS FROM RECEIPT OF EQUIPMENT TO REPORT ANY DISSATISFACTION WITH EQUIPMENT, EQUIPMENT FAILURE, OR DAMAGE TO EQUIPMENT. FAILURE TO COMPLY WITH THIS OBLIGATION CONSTITUTES CUSTOMER'S ACCEPTANCE OF EQUIPMENT IN FULL AND IN GOOD OPERATING AND PHYSICAL CONDITION, FORFEITURE OF RIGHT TO REFUTE PAYMENT TO A.T.E., AND FORFEITURE OF ANY CLAIM(S) AGAINST A.T.E.
39. In the event customer notifies A.T.E. within time allowed and decides to return equipment, customer must obtain a Return Material Authorization Number and follow the guidelines within the Return Material Authorization terms and conditions to prevent refusal of equipment. (REFER TO RETURN MATERIAL AUTHORIZATION TERMS AND CONDITIONS).
40. In the event customer returns equipment, customer is NOT relieved of any obligation or liability until A.T.E. evaluates equipment and/or validates customer's claim(s). Additionally, customer will be subject to a restocking fee in the event A.T.E. is unable to validate customer's claim(s) (REFER TO RESTOCKING FEE SECTION).

Restocking Fee

41. In the event customer decides to return equipment claiming dissatisfaction with equipment and has notified A.T.E. within the time allowed, customer assumes responsibility to provide A.T.E. with proper documentation to support their claim(s) that equipment received was NOT as agreed to in the written agreement between A.T.E. and customer.
42. In the event customer is unable to provide A.T.E. with proper documentation that the equipment shipped was NOT as agreed to in writing, A.T.E. will assess a restocking fee of \$95.00 or 15% of the sale price, whichever is greater. Restocking fees are due upon receipt of invoice.
43. If a restocking fee applies, the customer assumes responsibility to pay to A.T.E. for all shipping, installation, and or any other charges incurred by A.T.E, aside from the restocking fee.

Return Material Authorization (RMA) for equipment failure within warranty period

- 44. An RMA form must be completed and signed by customer for failed, damaged, or dissatisfaction with A.T.E. equipment.
- 45. A.T.E. is ONLY responsible for associated costs to remedy any equipment failure that is not due to customer abuse, negligence, or operator error. These costs are limited to equipment repair/replacement and transportation to and from customer location via NON-Priority shipping method, contingent upon customer requesting equipment is returned once it is repaired or replaced. All returns must be shipped to A.T.E., prepaid by customer. Costs are reimbursable to customer upon absolving customer of abuse, operator error, and or negligence.
- 46. If upon lab inspection there is evidence of customer abuse, negligence, or operator error, the customer is liable for all transportation costs, evaluation fees, and/or repair charges.
- 47. A.T.E. DOES NOT DELIVER REPLACEMENT UNIT(S) PRIOR TO LAB INSPECTION OF FAILED EQUIPMENT.

Sale Returns

- 48. An RMA is required for all equipment returns (SEE REPORTING DISCREPANCIES AND/OR RETURN MATERIAL AUTHORIZATION SECTION TO ADDRESS THESE MATTERS).
- 49. Customer must return all equipment, manuals, and accessories prepaid.
- 50. All items must be shipped to Advanced Test Equipment, 10401 Roselle Street, San Diego, CA 92121.
- 51. Customer assumes all liability for shipping damage due to improper handling, packaging, and or loss of equipment by any special courier or carrier.
- 52. In the event equipment is returned damaged, defective, or is missing manuals and/or accessories, customer will be required to pay for all costs associated with repairing and/or replacing equipment, missing manuals and/or accessories, including but not limited to; labor, parts, and/or replacement costs for equipment, and/or manuals and accessories.

Taxes

- 53. Prices do not include taxes. Taxes will be added to the invoice as required by law and will be billed and collected accordingly.
- 54. Customer is obligated to pay all federal, state, and local taxes without limitation, unless proper tax exemption documentation is provided by the paying entity.

I HAVE READ AND ACCEPT THE ABOVE TERMS AND CONDITIONS TO BE BINDING IN ALL DEALINGS WITH A.T.E.

FOR (COMPANY NAME) _____

BY (PRINT NAME) _____ **TITLE** _____

SIGNATURE _____ **DATE** _____

THE ABOVE TERMS AND CONDITIONS ARE SUBJECT TO CHANGE WITHOUT NOTICE.

EFFECTIVE: 01/25/02