



TERMS AND CONDITIONS OF SALE

PRICES AND TERMS: The prices quoted by PASSIVE PLUS, INC. (Seller) may be adjusted to any change in market prices, manufacturing price increases, including, but not limited, to palladium, articles, equipment, supplies, shipping, tariffs, materials or products (“Increase Change Order”) notification by Seller received by Buyer prior to Seller’s invoicing and shipment by Seller. Buyer shall pay to Seller all sums including Increase Change Order. All prices are Ex Works, New York and include packaging for domestic shipment only. All terms are net 30 days unless otherwise specifically indicated on the face of the acknowledgment of Purchase Order. The Seller reserves the privilege of declining to make deliveries except for cash whenever, for any reason, doubt as to the Buyer's responsibility develops, and shall not in any event, be liable for non-performance of contract in whole or in part. Each order will be subject to the approval of our Credit Department. PASSIVE PLUS, INC. (Seller) is not responsible for rework.

PRODUCTION AND/OR DELIVERY DELAYS: In no event shall PASSIVE PLUS, INC. be liable for any damages caused to Buyer and Buyer expressly waives any and all claims that Buyer may have against PASSIVE PLUS, INC. as a result of any production and/or delivery delay caused in whole or in part, directly or indirectly by any of the following: acts of God or of public enemies, fires, floods, explosions, accidents, epidemics, pandemics, quarantine restrictions, riots, mobilizations, war, rebellion, revolutions, blockades, hostilities, governmental regulations, requirements, restrictions and priorities, interference or embargoes, strikes, lockouts, differences with workmen, inadequate transportation facilities, delays or interruptions in transportation, shortages of labor, fuel, raw materials, supplies or power, accidents to, breakdowns of/to or mechanical failure of plant machinery or equipment, or any legal theory of ‘force majeure’ arising from any cause (whether or not similar in nature to any of those hereinbefore specified) beyond PASSIVE PLUS, INC.’s reasonable control. Furthermore, any and all production and delivery dates (whether or not expressly made or deemed to be ‘of the essence’) shall be automatically extended by a period of time equal to the time lost due to any excusable delay and, in the event PASSIVE PLUS, INC. is unable (in whole or in part) to produce and/or deliver due (directly or indirectly) to any such cause, PASSIVE PLUS, INC. may, in its sole and absolute discretion, cancel Buyer’s purchase order upon notice to Buyer, but without any liability whatsoever therefor. Without limiting the foregoing, under no circumstances will PASSIVE PLUS, INC. be liable for, and Buyer expressly waives its rights to claim any special, incidental or consequential damages of any nature whatsoever, including but not limited to, the loss of profits, loss of revenue, loss of use, loss of goodwill, data loss, rework, repair, manufacturing expenses, costs of product recall, loss of reputation or loss of customers, regardless of whether PASSIVE PLUS, INC. has been given notice of such damages and regardless of whether those damages are sought under contract, tort or any other theories of law or equity.

SHIPPING TERMS: PASSIVE PLUS, INC.’s shipping terms are Ex Works unless otherwise agreed by both Seller & Buyer. All risk, liability & carriage costs transfer to Buyer when turned over to the carrier at the Seller’s shipping dock.

CANCELLATION: The Buyer may cancel order upon written notice to the Seller and upon payment of cancellation charges which shall take into account among other things expenses already incurred and commitments made to the Company.

Cancellation Charges - SURFACE MOUNT CAPACITORS & RESISTORS		
<i>PPI Series</i>	<i>Type</i>	
<i>0201N</i>	<i>Surface Mount Caps</i>	<i>See Cancellation Schedule on Next Page</i>
<i>0402N</i>	<i>Surface Mount Caps</i>	
<i>0603N</i>	<i>Surface Mount Caps</i>	
<i>0805N</i>	<i>Surface Mount Caps</i>	
<i>1111N</i>	<i>Surface Mount Caps</i>	
<i>0505C/P</i>	<i>Surface Mount Caps</i>	
<i>1111C/P</i>	<i>Surface Mount Caps</i>	
<i>2225C/P</i>	<i>Surface Mount Caps</i>	
<i>3838C/P</i>	<i>Surface Mount Caps</i>	
<i>Broadbands</i>	<i>Surface Mount Caps</i>	

<i>PPI Series</i>	<i>Type</i>	
<i>EIA Non-Magnetic</i>	<i>Surface Mount Caps</i>	<i>See Cancellation Schedule Below</i>
<i>EIA Non-Magnetic</i>	<i>Resistors</i>	
<i>Trimmers</i>	<i>Surface Mount Caps</i>	
<i>0505X</i>	<i>Surface Mount Caps</i>	<i>NCNR - Non-Cancelable, Non-Returnable</i>
<i>1111X</i>	<i>Surface Mount Caps</i>	<i>NCNR - Non-Cancelable, Non-Returnable</i>
<i>2225X</i>	<i>Surface Mount Caps</i>	<i>NCNR - Non-Cancelable, Non-Returnable</i>
<i>6040C</i>	<i>Surface Mount Caps</i>	<i>NCNR - Non-Cancelable, Non-Returnable</i>
<i>7676C</i>	<i>Surface Mount Caps</i>	<i>NCNR - Non-Cancelable, Non-Returnable</i>
<i>1313C</i>	<i>Surface Mount Caps</i>	<i>NCNR - Non-Cancelable, Non-Returnable</i>
All surface mount items that Passive Plus, Inc. sells fall under this Cancellation Schedule.		
Cancellation Schedule - SURFACE MOUNT CAPACITORS & RESISTORS		
For PO that is placed, scheduled and not shipped: If order is 0-4 days, 0% cancellation and restocking charge If order is 5-90 days, 25% cancellation and restocking charge If order is 91-180 days, 50% cancellation and restocking charge If order is 181 -360 days, 75% cancellation and restocking charge For PO that is shipped (Ex Works) from Passive Plus, Inc., NY: If order is shipped 1- 4 days, 50% cancellation and restocking charge If order is shipped 5 -15 days, 75% cancellation and restocking charge If order is shipped >16 days, 100% cancellation and restocking charge Note: All products must be in the original packaging and unopened otherwise product cannot be returned		
Cancellation Charges – LEADED CAPACITORS & CUSTOM PARTS/ASSEMBLIES		
<i>PPI Series (example)</i>		
<i>1111P/C</i>	<i>Leaded Caps</i>	<i>NCNR - Non-Cancelable, Non-Returnable</i>
<i>2225P/C</i>	<i>Leaded Caps</i>	<i>NCNR - Non-Cancelable, Non-Returnable</i>
<i>3838P/C</i>	<i>Leaded Caps</i>	<i>NCNR - Non-Cancelable, Non-Returnable</i>
<i>6040C</i>	<i>Leaded Caps</i>	<i>NCNR - Non-Cancelable, Non-Returnable</i>
<i>7676C</i>	<i>Leaded Caps</i>	<i>NCNR - Non-Cancelable, Non-Returnable</i>
<i>1313C</i>	<i>Leaded Caps</i>	<i>NCNR - Non-Cancelable, Non-Returnable</i>
<i>Custom</i>	<i>Parts/Assemblies</i>	<i>NCNR - Non-Cancelable, Non-Returnable</i>
All leaded items and custom parts &/or assemblies that Passive Plus Inc. sells, fall under this Cancellation Schedule. All products must be shipped within a one-year period of initial PO.		

GENERAL: PASSIVE PLUS, INC. agrees to comply with all applicable State and Federal Laws, rules and regulations with regard to Wage and Hour Law, discrimination, Fair Labor Standard Acts and other provisions relating to working conditions. Our failure to comply with the above provisions will not be sufficient cause for cancellation.

WARRANTY: PASSIVE PLUS, INC. warrants products manufactured or sold by us to be free from defects in material and workmanship. Our obligation under this warranty is limited to repairing or replacing any of our products which shall, within twelve months after delivery to the original purchaser, be determined by PASSIVE PLUS, INC. examination to be defective and which are returned to us transportation prepaid. This warranty does not extend to any of our products, which have been subject to abuse, misuse, lack of proper maintenance or negligence in use, storage, transportation or handling, nor shall it extend to products which have been repaired or altered outside our factory. No return of parts shall be accepted unless return has been previously authorized by PASSIVE PLUS, INC. THIS IS PASSIVE PLUS, INC.'s, SOLE WARRANTY AND IS GIVEN IN LIEU OF ALL OTHER WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE AND SETS FORTH BUYER'S SOLE REMEDY.