1. ACCEPTANCE

(A) Airborne Labs International, Inc, hereinafter referred to as "Airborne Labs International, Inc" and/or "SELLER" desires to provide its customers with prompt and efficient service. However, to negotiate individually the terms and conditions of each sales contract would substantially impair "SELLER'S ability to provide such service. Therefore, goods, products, wares and/or merchandise furnished and services rendered by "SELLER" are sold only on the terms and conditions stated herein, notwithstanding any terms and incorporated in Buyer's and/or Buyer's Representatives, and/or Buyer's Agents; Purchase Order including but not limited to all Purchase Order attachments and/or referenced documents and/or referenced instruments in any form whatsoever (including but not limited to electronic, digital, magnetic instruments and/or documents) intended to revise, alter, amend, modify, terminate and/or supplement "SELLER'S" Terms and Conditions of Sale unless otherwise specifically and expressly agreed to in writing by "SELLER" and signed by the President of "SELLER." In the absence of such agreement, commencement of performance and/or delivery shall be for "SELLER'S convenience only and shall not be deemed or construed to be acceptance of Buyer's terms or conditions. If a contract is not earlier formed by mutual agreement in writing, acceptance of delivery of any good, product, wares and/or merchandise or service by Buyer shall be deemed acceptance of the terms and conditions stated herein. "SELLER'S" failure to object to any term or condition contained in any communication from Buyer shall not be deemed a waiver of these terms and conditions. Notwithstanding the foregoing, however, stenographic and clerical errors are subject to revision and correction. All contracts for the sale of goods, products, wares and/or merchandise shall be construed under and governed by the law of the State of New Jersey, United States of America. Each good, product, ware and/or merchandise or service furnished by "SELLER" shall be deemed accepted by Buyer at time of shipment by "SELLER" unless notice of defect or nonconformity is received in writing within thirty (30) days of delivery thereof.

(B) The term "Sales Order Agreement", "Sales Order", "Sales Order Acknowledgement", "Agreement", "Invoice", "Pro Forma" or "Quotation" herein shall mean the total agreement between the parties hereto arising out of Buyer's agreement to buy and "SELLER'S" agreement to sell the goods, products, wares and/or merchandise and/or services described on the face of or in the body of this Quotation, Invoice, Pro Forms, Sales Order, Sales Order Agreement, Sales Order Acknowledgement, Sales Representative Agreement or Distributor Agreement. Acceptance of Buyer's Purchase Order is expressly conditional upon: the Terms and Conditions, specifications, prices, discounts, instructions, warnings, and delivery dates set forth herein and contained herein by reference which may not be varied, modified, added to, or deleted except by written agreement signed in advance by a duly authorized representative of "SELLER." "SELLER'S" most recently published specifications, warnings, instructions, prices, discounts, and terms and conditions published or announced prior to the date of "SELLER'S" acceptance of Buyer's purchase order shall apply to this Agreement. It is agreed by the parties hereto that Buyer may acknowledge, accept and/or approve this Quotation, Invoice, Pro Forma, Sales Order, Sales Order Agreement, Sales Order Acknowledgement or this Agreement using Buyer's Purchase Order, acknowledgement form, payment voucher, or other documents. Buyer agrees that such form of Sales Order Acknowledgement,

acceptance, and/or approval in any manner whatsoever, including but limited to the use of Buyer's Purchase Order, Purchase Order Acknowledgement form, and other related forms or documents are solely for the convenience of the parties hereto in negotiating the quantity to be purchased under this "Agreement" and the delivery schedule thereof. Any provision, term, condition, specification, price, discount, instruction, warning, or delivery date of such Purchase Order, Purchase Order Acknowledgement, acceptance and/or approval document, or related document which is inconsistent with or additional to the requirements, terms and conditions, specifications, prices, discounts, instructions, warnings, and delivery dates set forth herein or contained herein by reference shall be of no legal effect whatsoever and shall not be binding upon the parties hereto. This Agreement is accepted and shall be deemed accepted by Buyer upon the first to occur of either (1) the commencement of any performance whatsoever, in any manner whatsoever by Buyer and/or (2) Buyers receipt of these terms and conditions, unless written notice expressly specifying an exception or rejection of these terms and conditions is received by "SELLER" from Buyer within ten (10) calendar days of Buyer's receipt of these terms and conditions. "SELLER" expressly rejects any term, condition, specification, price, discount, instruction, warning and delivery date offered by Buyer at any time either prior to or subsequent to this Agreement and/or additional to, inconsistent with or which to delete or modify any requirement, term, condition, specification, price, discount, instruction, warning or delivery date, of "SELLER'S" terms and conditions, specifications, prices, discounts, warnings or delivery dates contained in "SELLER'S" standard terms and conditions of sale effective at the time of "SELLER'S" acceptance of Buyer's order or in "SELLER'S" Quotation, "SELLER'S" Sales Order, or "SELLER'S" Sales Order Acknowledgement regardless of "SELLER'S" receipt of a purchase order or similar document from Buyer and/or regardless of shipment of the goods, products, wares and/or merchandise or services from "SELLER" to Buyer and/or delivery of deliverable items by "SELLER" to Buyer and/or receipt or acceptance of payment by "SELLER" from Buyer for goods, products, wares and/or merchandise or services under this Agreement. Buyer and "SELLER" agree that the deletion of or modification of any requirement, term, condition, specifications, price, discount, instruction, warning or delivery date contained in "SELLER'S" Sales Order, "SELLER'S" Sales Acknowledgement, or this Agreement or any additional and/or inconsistent requirement, term, condition, specification, delivery date, instruction, warnings, discount, or price contained in Buyer's Purchase Order, acknowledgement, acceptance, approval document, and/or any related or similar documents shall be of no legal affect and shall not constitute an exception to or rejection of or modification of these terms and conditions or this Agreement or a rejection of or exception to Buyer's unconditional acceptance of "SELLER'S" terms and conditions nor shall it be binding upon the parties hereto to whether or not such a change, modification, addition or deletion materially alters this Agreement. Failure of Buyer to reject any or all of these terms and conditions in writing within ten (10) days after receipt by Buyer or after Buyer's commencement of performance of this Agreement in any manner whatsoever shall constitute unconditional acceptance of these terms and conditions by Buyer.

2. LIMITED AND CONDITIONAL WARRANTY

(A) Subject to the terms and conditions of this Agreement, "SELLER" warrants that the goods, products, wares and/or merchandise described herein shall be free from defects in materials

TCOS Rev B Page 1 of 7

and workmanship beginning on the date the goods, products, wares and/or merchandise are shipped to Buyer from "SELLER'S" facility in accordance with the terms of this warranty. Except for consumables or items expended in normal use, goods, products, wares and/or merchandise shipped to buyer and additionally found by "SELLER" to be defective shall be repaired, replaced, or repayment made in accordance with Section 4, Exclusive Remedy, provided Buyer notifies "SELLER" of the defect within the time period indicated below for the specified goods, products, wares and/or merchandise.

- (B) This Limited and Conditional Warranty does not cover components that are expendable in normal use and this have an unpredictable service life such as batteries, fuses, LED's, lamps, glassware, filters, electrolyte, filaments, catalysts, re-agents, membranes, tubing and printer paper. This warranty shall be void on any product, component, or accessory which (1) is operated or used in excess of that product's, product's components' or accessories' operating specifications or (2) is not properly maintained, repaired or stored in accordance with the "SELLER'S" or the Manufacturer's product maintenance or repair specifications, warnings or instructions or (3) is not used, maintained, repaired, or stored in accordance with the "SELLER'S" or manufacturer's specifications, warnings or instructions, or (4) has been abused, misused or neglected, or (5) is used with parts or components not authorized by the manufacturer, or is damaged or defective as a result of acts of God, war, terrorist actions, revolution, or riot.
- (C) The "SELLER" s released from all obligations under this warranty and the warranty is null and void in the event repairs or modifications of any kind whatsoever are made to the goods, products, wares and/or merchandise by persons other than "SELLER'S" authorized repair personnel or the repair or maintenance is incorrectly performed.
- (D) Goods, products, wares and/or merchandise that have been repaired or replaced or received maintenance service during the warranty period are warranted only for the remainder of the unexpired portion of the original warranty period for the goods, products, wares and/or merchandise. Repair or replacement or maintenance services does not extend the original warranty period.
- (E) The warranties set forth herein shall arise and be enforceable against "SELLER" only if (1) the goods, products, wares and/or merchandise are operated, used, stored, repaired, maintained, handled, and transported in compliance with all the "SELLER'S" and Manufacturer's specifications, instructions, and warnings and (2) the goods, products, wares and/or merchandise are purchased according to all of the terms and conditions of sales set forth herein.
- (F) Use of non-authorized parts or components in an Airborne Labs International Inc product may result in PROPERTY DAMAGE, SERIOUS BODILY INJURY, AND DEATH; VOIDS ALL WARRANTIES AND VOIDS ALL PERFORMANCE AND DATA ACCURACY WARRANTIES. Any Party engaged in interchanging parts and components of different manufacturer systems may be subject to negligence, product liability and breach of warranty claims. (G) The goods, products, wares and/or merchandise under this warranty are for purchase by, use by, storage by, maintenance by, and repair by professional, industrial, commercial or government users for resale or for commercial purposes. The goods, products, wares and/or merchandise are not for personal, family or household purposes or use by the general public. This warranty is limited to professional, industrial, commercial or government Buyers purchasing the goods, products, wares and/or merchandise for resale

- or for commercial, industrial or government purposes.
- (H) Representations or warranties made by any person, including but not limited to dealers, wholesalers, distributors, and manufacture representatives of the "SELLER'S" that are inconsistent or in conflict with the terms of this warranty are void and shall not be binding upon the "SELLER" unless reduced to writing and signed by the President of "SELLER."
- (I) The warranty is invalid if the Manufacturer or "SELLER" applied serial number, part number, expiration date, model number, operation and/or instruction manual, product warning, package label and/or product label has been altered, modified, removed, or covered.

3. DISCLAIMER OF WARRANTIES

THE WARRANTY SET FORTH HEREIN IS MADE BY "SELLER" AND ACCEPTED BY BUYER IN LIEU OF ALL OTHER WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY OTHER AFFIRMATION OF FACT OR PROMISE WHICH RELATES TO THE GOODS, PRODUCTS, WARES AND/OR MERCHANDISE AND/OR ANY IMPLIED WARRANTY OF MERCHANTABILITY AND/OR FITNESS FOR A PARTICULAR PURPOSE. THERE ARE NO WARRANTIES, WHICH EXTEND BEYOND THE DESCRIPTION ON THE FACE HEREOF.

4. LIMITATION OF REMEDIES AND EXCLUSIVE REMEDY

- (A) THE PARTIES HERETO AGREE THAT BUYER'S SOLE AND EXCLUSIVE REMEDY AGAINST THE "SELLER" SHALL BE AT "SELLER'S" OPTION, (1) REPAIR OF THE DEFECTIVE GOODS, PRODUCTS, WARES AND/OR MERCHANDISE (2) REPLACEMENT OF THE DEFECTIVE GOODS, PRODUCTS, WARES AND/OR MERCHANDISE OR (3) REPAYMENT OF THE PURCHASE PRICE OF THE DEFECTIVE, GOODS, PRODUCTS, WARES AND/OR MERCHANDISE. IF "SELLER" IS UNABLE TO PROVIDE ANY SELECTED REMEDY, "SELLER" MAY ELECT TO PROVIDE BUYER WITH ANY REMAINING EXCLUSIVE REMEDY UNTIL ALL THE EXCLUSIVE REMEDIES HAVE BEEN EXHAUSTED. THE NUMBER OF REMEDIES PROVIDED AND THE ORDER IN WHICH THE REMEDIES ARE PROVIDED SHALL BE DETERMINED SOLELY BY THE "SELLER." THIS EXCLUSIVE REMEDY IS ONLY AVAILABLE TO THE BUYER IF BUYER RETURNS THE DEFECTIVE GOODS, PRODUCTS, WARES AND/OR MERCHANDISE TO "SELLER" FOR INSPECTION AND "SELLER'S" INSPECTION DETERMINES A DEFECT EXISTS AND THAT THE DEFECT WAS NOT CAUSED IN WHOLE OR IN PART BY THE BUYER OR BY ANYONE'S USE, OPERATION, STORAGE, MAINTENANCE, HANDLING OR TRANSPORTATION OF THE DEFECTIVE GOODS, PRODUCTS, WARES AND/OR MERCHANDISE WHICH WAS INCONSISTENT WITH THE "SELLER'S" OR THE MANUFACTURER'S SPECIFICATIONS, INSTRUCTIONS, OR WARNINGS.
- (B) If "SELLER" does not find any defect in workmanship or material or if the warranty period has expired, the "SELLER'S" regular charges for replacement or repair shall apply and the purchaser shall pay all of "SELLER'S" charges and all transportation costs for the goods, products, wares and/or merchandise.
- (C) The Buyer shall not return any goods, products, wares and/or merchandise unless and until "SELLER" has authorized such return shipment and "SELLER" has provided shipping instructions. The failure to obtain such authorization prior to returning any goods,

TCOS Rev B Page 2 of 7

products, wares and/or merchandise shall render Buyer liable for direct, indirect, consequential, incidental, punitive, and other damages and all other fines, costs, and expenses incurred by "SELLER" in the operating, processing, inspecting, warehousing, storing, and transporting of the returned goods, products, wares and/or merchandise.

(D) The Buyer shall not be required to return defective goods, products, wares and/or merchandise to "SELLER" if (1) the good was destroyed as a result of its defect or (2) the "SELLER" is reasonably satisfied that the good was defective at the time of sale. The "SELLER" shall not be obligated to return any defective goods, products, wares and/or merchandise to Buyer if "SELLER" elects to replace the defective good or elects to repay Buyer the purchase price of the defective goods, products, wares and/or merchandise. The Buyer agrees that this exclusive remedy shall not fail its essential purpose so long as the "SELLER" is willing to provide remedy (1) or (2) or (3) mentioned above in Section 4, Paragraph (A).

5. LIMITATION OF DAMAGES

THE PARTIES HERETO AGREE THAT BUYER'S SOLE AND EXCLUSIVE DAMAGES FOR "SELLER'S" BREACH SHALL BE LIMITED TO THE PRICE OF THE GOODS, PRODUCTS, WARES AND/OR MERCHANDISE SOLD AND THAT ALL OTHER DAMAGES, INCLUDING BUT NOT LIMITED TO CONSEQUENTIAL, INCIDENTAL, EXEMPLARY, PUNITIVE, AND STATUTORY DAMAGES ARE EXCLUDED. THE PARTIES FURTHER AGREE THAT THIS LIMITATION OF DAMAGES PROVISION IS INDEPENDENT OF THE LIMITATION OF REMEDIES PROVISION AND WILL BE ENFORCEABLE EVEN IF A REMEDY FAILS ITS ESSENTIAL PURPOSE.

6. QUOTATION AND PRICES

All quotations are subject to the terms and conditions stated herein as well as any additional terms and conditions that may appear on the face hereof. In the case of a conflict between the terms and conditions stated herein and those appearing on the face hereof, the latter shall control. "SELLER" prices and quotations are subject to the following:

- i. All published prices are subject to change at any time without notice.
- ii. Unless otherwise specified in writing, all quotations are firm for, and expire, thirty (30) days after date thereof and constitute offers provided that budgetary quotations and estimates are for preliminary information only and shall neither constitute offers, nor impose any responsibility or liability upon "SELLER."
- iii. All shipments will be billed at prices in effect on the date of acceptance of the Buyer's order.
- iv. Unless otherwise stated in writing by "SELLER" all prices quoted shall be exclusive of transportation fees, insurances, taxes (including without limitation, any use tax, sales tax or similar tax), license fees, customs fees, duties and other charges related, thereto, and Buyer shall report and pay any and all such shipping charges, premiums, taxes, fees, duties, and other charges related thereto, including but not limited to storage, special handling, refrigeration fees or costs and shall hold "SELLER" harmless therefrom.
- v. Prices quoted are for products only and do not include technical data, proprietary rights of any kind, intellectual property rights, patent rights, copyrights, trademark and/or trade dress rights, qualification, environmental or other than "SELLER" standard test and other than normal domestic commercial packaging unless

expressly agreed to in writing by "SELLER." All such charges, premiums, taxes, fees, duties, and other charges related thereto shall be added to "SELLER'S" invoice as a separate item and shall be paid to "SELLER" by Buyer at the time the invoice for payment of the goods, products, wares and/or merchandise is due.

7. PAYMENT INVOICING AND INTEREST

(A) "SELLER" shall invoice the Buyer for the goods, products, wares and/or merchandise with payment to be made by Buyer according to the terms of "SELLER'S" invoice. Buyer agrees Buyer has until the payment due date set forth on "SELLER'S" invoice to pay any outstanding invoice to avoid Buyer being obligated to pay "SELLER'S" finance charges. Buyer's grace period is the period from the date of purchase up to the payment due date set forth on "SELLER'S" invoice. If an invoice is not paid in full on or before the payment due date as set forth on "SELLER'S" invoice, finance charges shall be assessed and Buyer agrees to pay finance charges. "SELLER" shall invoice finance charges at an interest rate of fourteen (14) percent per annum calculated daily on the average unpaid balance, including interest due, from the payment due date as set forth on "SELLER'S" invoice until the day "SELLER" receives payment in full for the interest on the unpaid balance and for the unpaid balance. All payments shall first be applied to interest due and then applied to the unpaid principle due. Buyer and "SELLER" agree the interest charges are calculated by multiplying the maximum legal interest rate based on the point of sale times the daily average unpaid balance on Buyer's outstanding account and multiplying the product of this calculation by the number of days that the invoice has been outstanding. Buyer agrees that for the purpose of calculating interest hereunder any portion of a day shall constitute a whole day. All payments shall be made in U.S. currency and drawn on a bank located in the United States. All of Buyer's payments shall first be used to reduce unpaid interest and then used to reduce unpaid principle. All payments shall be in accordance with the terms of "SELLER'S" invoice and this Agreement. If any payment is not made in accordance with or is inconsistent with "SELLER'S" invoice or this Agreement, payment may not be processed and/or payment may not be accepted at "SELLER'S" option and without liability of "SELLER" to Buyer and finance charges on the unpaid balance of Buyer's account shall continue to increase. If the interest charges set forth herein exceed the allowable interest rate for any state with jurisdiction within the United States of America, the interest rate shall be reduced to be equal to the highest lawful rate for said state. (B) Partial shipments will be billed as made and payments are subject to the above terms. "SELLER" may cancel or delay delivery of products in the event Buyer fails to make prompt payment. Title shall remain in "SELLER" until Buyer has made payment in full in accordance with the terms hereof. If, in the judgment of "SELLER," the financial condition of Buyer at any time does not justify continuance of product or delivery on terms of payment above specified, "SELLER," without liability to Buyer, may require special payment terms or deny credit. If Buyer becomes insolvent or bankruptcy proceedings are instituted against Buyer or Buyer makes an assignment for the benefit of its creditors, any such event shall be deemed a material default, entitling "SELLER" to cease performance under this order and to avail itself of all legal or equitable remedies it may have against Buyer. In the event of a default by Buyer under the terms of this contract, and the matter is placed in the hands of an attorney for collection, or suit is brought at law, or in equity, to enforce the provision herein, the Buyer agrees to pay "SELLER" reasonable attorney's fees, together with costs, in additional to the

TCOS Rev B Page 3 of 7

amount due under said contract.

(C) "SELLER'S" distributor discount used to calculate the distributor net price is based upon a distributor's payments being made to "SELLER" within thirty (30) calendar days from the date of shipment. In the event a "SELLER'S" distributor does not maintain payments of thirty (30) days or less, "SELLER," without liability, may reduce the distributor's discount by 5 percentage points from the standard distributor discount on future orders. This remedy is in addition to any interest charges and other remedies "SELLER" may apply.

8. DELIVERY

Unless otherwise agreed to in writing by "SELLER," all transportation shall be at the expense of Buyer. "SELLER" reserves the right to ship products freight collect and to select the means of transportation and routing. Unless otherwise advised, "SELLER" will insure full value of the Product or declare full value to the transportation company at the time of delivery and all such freight and insurance costs shall be for Buyer's account. Risk of loss or damage shall pass to Buyer upon delivery of the products to the transportation company FOB "SELLER'S" shipping dock. Confiscation and/or destruction of, and/or damage to products shall not release, reduce or in any way affect the liability of Buyer. Buyer, at its expense, shall fully insure products against all loss or damage until "SELLER" has been paid in full. Any and all taxes levied on or with respect to products after delivery of the goods, products, wares and/or merchandise to the transportation company, including without limitation, taxes levied on or assessed to "SELLER" by reason of its retention of title, shall be paid by Buyer provided, however, in the event "SELLER" in its sole discretion, chooses to pay such taxes, then Buyer shall reimburse "SELLER" in full upon demand. All products must be inspected upon receipt and claims should be filed with the transportation company when there is evidence of damage, either concealed and/or external. As used in the clauses appearing herein or attached hereto, "deliver" shall occur when products are delivered FOB "SELLER'S" shipping dock or such other place as an Authorized Representative of "SELLER" shall specify in writing. Shipping dates are approximate and are based upon prompt receipt of all necessary information from Buyer. "SELLER" shall not be liable for delay in delivery or non-delivery, due to causes beyond "SELLER'S" reasonable control, including but not limited to acts of God, acts of terrorism, acts of Buyer, acts of civil or military authority, war, riots, priorities, fires, strikes, lockouts, pandemics, delays in transportation and inability due to causes beyond "SELLER'S" reasonable control to obtain necessary labor, materials, manufacturing facilities, or compliance with any law, regulation or order, whether such circumstances or causes have been remedied. "SELLER" will make its best efforts and Buyer shall accept performance. "SELLER" reserves the right, in its sole discretion, and without liability to Buyer to allocate inventories and current production and substitute suitable material when, in its opinion, such allocation or substitution is necessary due to any such circumstances or causes. No penalty clause of any kind shall be effective. In the event a delay in production or delivery occurs as a result of causes beyond the reasonable control of "SELLER," the date of delivery of the goods, products, wares and/or merchandise shall be extended for a period equal to or exceeding the time lost by reason of any such delay.

9. SHIPMENTS AND STORAGE

Shipment shall be FOB "SELLER'S" dock with carrier selected by the "SELLER" unless advance written instructions have been

provided by the Buyer to "SELLER". "SELLER" is authorized to select and engage carriers, truck men, lighter men, forwarders, brokers, warehousemen, and others as required to transport, store, handle, deal with or deliver the goods, products, wares and/or merchandise all of whom shall be considered as the agents of "SELLER". The goods, products, wares and/or merchandise at "SELLER'S" opinion, may be entrusted to the aforesaid agents subject to all conditions as to limitations of liability for loss, damage, expense, or delay and all rules, regulations, requirements, and conditions whether printed, written, or stamped appearing in bills of lading, receipts, invoices or tariff's or similar documents issued by such engaged carriers, truck men, lighter men, forwarders, brokers, warehousemen, and others. The "SELLER" or its agents shall under no circumstance be liable to Buyer for any loss or damages to the goods, products, wares and/or merchandise and/or expense, and/or delay for any reason whatsoever when said goods, products, wares and/or merchandise are in the custody, possession, or control of third parties selected by the Buyer.

10. APPLICABLE LAW

The construction, interpretation, and performance of this Agreement and all transactions hereunder shall be governed, interpreted, construed, and enforced in accordance with the substantive laws of the State of Florida, United States of America. Buyer and "SELLER" have had the opportunity to consult attorney(s) regarding the terms of this Agreement and have had the opportunity to contribute to the drafting of this Agreement. This agreement is the product of an arms length negotiation by Buyer and "SELLER." Any rule construing or implying any ambiguities against the drafter of this Agreement does not apply and is expressly waived by Buyer and "SELLER."

11. ENTIRE AGREEMENT

The "SELLER'S" salespeople, manufacturer's representatives or distributors may have made oral or written representations about the goods, products, wares and/or merchandise or services described in this Agreement. Such statements do not constitute warranties, shall not be relied on by the Buyer, and are not part of the contract for sale. This writing constitutes the final integrated expression of the parties' agreement. It is a complete and exclusive statement of the terms of that agreement. This Agreement supersedes all prior written or oral agreements between the parties hereto with respect to the subject hereof. Except as set forth above, no amendment to this Agreement is enforceable unless included in a writing identified as an amendment to this document and signed by the duly authorized representative of Buyer and "SELLER."

12. EXPORT ORDERS

Buyer shall be responsible for obtaining any license to import into the country of destination and Buyer shall pay all costs of importing the goods, products, wares and/or merchandise including but not limited to all special packaging requirements, taxes, duties, tariffs, custom fees and costs required to import the goods, products, wares and/or merchandise into the country of destination.

13. CHANGES

"SELLER" shall not be obligated to recognize, perform or implement any changes requested or directed by Buyer. Without incurring any liability to Buyer, "SELLER" reserves the right and is authorized to (1) change the design or specifications of or modify any of the goods, products, wares and/or merchandise; (2) discontinue the production or sale of any of the goods, products, wares and/or merchandise; (3) or adjust or change the list, price discounts, terms and conditions of sale, instructions or warnings for any of the goods, products, wares

TCOS Rev B Page 4 of 7

and/or merchandise. Nothing contained in this Agreement shall be construed as obligating "SELLER" to accept any order for goods, products, wares and/or merchandise from any Buyer.

14. ASSIGNMENT

- (A) Buyer shall not transfer or assign in any manner whatsoever its rights or obligations under this Agreement without the prior written approval of an authorized representative of "SELLER" and any action to attempt to affect or to affect such a transfer or assignment shall be null and void.
- (B) Buyer shall not assign this order or any interest therein or any rights hereunder without the prior written consent of an authorized representative of "SELLER." All assignments or transfers or attempted transfers or assignments by Buyer are null and void.

15. SEVERABILITY

If any provision of this Agreement shall be prohibited by or invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition of invalidity, without invalidating the remainder of the provisions of this Agreement and the remainder of this Agreement shall be enforceable in accordance with the terms thereof.

16. TERMINATION

- (A) Except as set forth herein Buyer may not terminate this Agreement in whole or in part or alter, accelerate or delay the delivery dates, alter, increase or decrease the quantities or type of deliverable items without the express written approval of a duly authorized representative of "SELLER" and upon payment to "SELLER" of reasonable cancellation charges incurred or committed by "SELLER" plus "SELLER'S" cancellation and restocking fees as established by "SELLER" from time to time in "SELLER'S" sole discretion. Determination of "SELLER'S" cancellation and/or restocking fee by Seller shall be final and binding upon "SELLER" and Buyer. Payment of cancellation and or restocking fees shall not entitle Buyer to obtain any rights or portion of the goods, products, wares and/or merchandise related to the cancellation or restocking fee.
- (B) All orders are firm and non-cancelable. Buyer is responsible for the full price of products as ordered. Termination by mutual agreement is subject to the following conditions: (1) Buyer will pay for all products which are completely manufactured and/or allocable to Buyer at the time of "SELLER'S" receipt of notice of termination; (2) Buyer will pay all costs and normal overhead expense which have been incurred by "SELLER" with regard to products which have not been completely manufactured at the time of "SELLER'S" receipt of notice of termination, plus a pro rata portion of normal overhead expense and profit on the contract using "SELLER'S" standard accounting practices. To reduce termination charges, "SELLER" shall divert completed parts, material or work-in-process from terminated contracts to the Buyer, without liability, whenever in "SELLER'S" sole discretion, it is practical to do so. A credit memorandum will be issued to the customer's account per "SELLER'S" sole discretion.

17. INSPECTION

The Buyer shall inspect and accept any goods, products, wares and/or merchandise delivered pursuant to this Agreement within thirty (30) calendar days after delivery as set forth herein or after shipment by "SELLER" to Buyer of such goods, products, wares and/or merchandise whichever shall first occur. In the event Buyer believes the goods, products, wares and/or merchandise do not conform or are defective the Buyer shall promptly notify "SELLER" of such nonconformity or defect in writing within thirty (30) days of delivery.

The Buyer shall be deemed to have accepted such products delivered hereunder, including but not limited to alleged non-conforming or defective goods, products, wares and/or merchandise delivered hereunder and to have waived such non-conformity or defect in the event such written communication is not received by "SELLER" within thirty (30) calendar days after "SELLER'S" delivery as set forth herein or after shipment of the goods, products, wares and/or merchandise to Buyer or "SELLER," whichever shall first occur. Buyer's written notification of nonconformity or defects shall be addressed to and delivered by Buyer to "SELLER'S" authorized representative.

18. INSOLVENCY

Either party may cancel this Agreement without liability to the other party if the other party becomes involved in the institution or the proceeding by or against it relating to insolvency, bankruptcy, reorganization, arrangement, liquidation or assignment for the benefit of creditors.

19. RIGHTS AND REMEDIES

The rights and remedies of the Buyer and the "SELLER" set forth herein shall be in addition to any other rights and remedies provided in law or equity, including but not limited to specific performance. The failure or delay by either party to exercise any rights or remedies under this Agreement shall not operate as a waiver thereof. No waiver by either party of a breach of any provision of this Agreement shall be taken or held to be a waiver by such party of any succeeding breach of such provision or any other provision of the Agreement. Pending resolution of any dispute to the extent the order is not terminated by written notice of one party to the other. Buyer shall continue performance hereunder.

20. INSURANCE

The Buyer is responsible for obtaining and paying for all insurance for the goods, products, wares and/or merchandise including but not limited to liability, property, fire, theft, marine, excess liability, and all other insurance whatsoever until title and risk of loss whichever occurs earlier pass from "SELLER" to Buyer. The "SELLER" does not agree to underwrite, undertake to obtain insurance or warrant that any insurance whatsoever can or will be placed for the goods, products, wares and/or merchandise.

21. MERCHANT

Buyer acknowledges that it is a Merchant and a professional with respect to the goods, products, wares and/or merchandise described in this Agreement and that by accepting this Agreement or commencing performance, or by executing this Agreement and/or the "SELLER'S" Distributor Agreement, and/or by paying for the goods, products, wares and/or merchandise, Buyer confirms it has read these terms and conditions, understands them, and agrees that said terms and conditions control the sales and purchase of the goods, products, wares and/or merchandise and services described herein.

22. DISPUTES

All disputes under any contract concerning goods, products, wares and/or merchandise not otherwise resolved between "SELLER" and Buyer shall be resolved in a court of competent jurisdiction for the location of "SELLER'S" place of business in Somerset, New Jersey and in no other place. Provided that, in "SELLER'S" sole discretion, such action may be heard in some other place designated by "SELLER" (if necessary to acquire jurisdiction over third persons), so that the dispute can be resolved in an action, Buyer agrees to appear in any such action at Buyer's expense and consent to the jurisdiction of such court upon written notice. No action, regardless of form, arising out of, or in any way connected with, the products

TCOS Rev B Page 5 of 7

furnished and/or services rendered by "SELLER" may be brought by Buyer more than one (1) year after the cause of action is accrued.

23. GOVERNMENT CONTRACTS

Unless otherwise stated by reference on the face hereof, all orders are considered commercial sales regardless of government contract or subcontract references. "SELLER'S" pricing and production and shipment commitments shall be based on published price lists and "SELLER'S" internal accounting and production allocation procedures which shall be applied equitably to all customers as determined by "SELLER."

24. WARNINGS, INSTRUCTIONS, DOCUMENTS

Buyer agrees to read, understand, and comply with all of "SELLER'S" and manufacturer's warnings and instructions, labels, Material Safety Data Sheets (MSDS), manuals, and other literature and documents accompanying the product before using the goods, products, wares and/or merchandise and/or attempting to use the goods, product, wares and/or merchandise. If Buyer is a distributor or reseller of the product, Buyer agrees not to discard, cover, remove, or alter any label, instruction, specifications, warning, Material Safety Data Sheet (MSDS), manual, or other literature or document provided with or on the product, product packaging, test protocol, or add any warning, label, specifications, instruction, Material Safety Data Sheet (MSDS), document, or test protocol and/or label that conflicts with, covers or alters the meaning or the emphasis of the instructions, warnings, labels, Material Safety Data Sheet (MSDS), manual, test protocol, specifications and/or other literature and/or documents provided with the goods, product, wares and/or merchandise or service.

25. SOFTWARE LICENSE

- (A) <u>Grant of License</u>. If a license fee is specifically listed in this agreement, "SELLER" hereby: In consideration of payment of the License Fee, which is a part of the price paid for this product as evidenced by the "SELLER'S" sales order and by the payment receipt (the "Receipt"), "SELLER" hereby grants to the Licensee, a non-exclusive right to use and display "SELLER'S" Software. The License granted covers all users on the above-mentioned Software as specified in "SELLER'S" sales order. "SELLER" reserves all rights not expressly granted to Licensee.
- (B) Ownership of Software. As the Licensee, the Buyer owns the magnetic or other physical media on which the Software is originally or subsequently recorded or fixed, but "SELLER" retains the title and ownership of the Software and all subsequent copies of the Software, regardless of the form or media in or on which the original and other copies may exist. The License is not a sale of the original Software or any copy, thereof nor authorization or consent from Buyer to sublicense, lease and/or resell and/or copy the software.
- (C) <u>Copy Restrictions</u>. This Software and the accompanying written materials are copyrighted. Unauthorized copying of the Software including Software that has been modified, merged or included with other software, or the written materials provided herewith, is expressly forbidden. Licensee may be held legally responsible for any copyright infringement that is caused or encourage by Licensee's failure to abide by the terms of this License. Subject to these restrictions, and to the extent the Software is not copy-protected, Licensee may make one copy of the Software solely for backup and archival purposes. Copyright notices must be posted on any and all reproduced copies as well as any reference to the software in Buyer's sales literature and training aides.
- (D) <u>Use Restrictions.</u> As the licensee, the Buyer may physically transfer the Software from one instrument or computer to another,

- provided the Software is used on only one computer or instrument at a time and all transfers are in compliance with the software license. You may not electronically transfer the Software from one instrument or computer to another. You may not distribute copies of the Software or accompanying written materials to others. You may not modify, adapt, translate, reverse engineer, de-compile, disassemble or create derivative works based on the Software or the written materials, manuals, training aids, video designs, code or other materials provided with the software without the prior written consent of an authorized representative of "SELLER."
- (E) <u>Transfer Restrictions</u>. The foregoing License to use the Software is granted only to licensee and may not be transferred, except a transfer of all licensee rights, title, and interest in and to the License to another person upon that person's written agreement with "SELLER" to abide by the terms and conditions of this Agreement. In no event may the Buyer transfer, assign, rent, lease, sell or otherwise dispose of the Software on a temporary or permanent basis except as expressly provided herein nor transfer, ship, export and/or send the software outside of the United States of America without the advance written approval of an authorized representative of the "SELLER." All attempts by licensee to transfer the License under this Agreement without the advance written approval of an authorized representative of "SELLER" are null and void.
- (F) <u>Upgrade Policy.</u> "SELLER" may create or offer, from time to time, an upgraded version of the Software. At its option, "SELLER" will make such upgrade available to Licensee and transferees who have paid the upgrade fee, if any, and returned the Registration Card to "SELLER" and signed the revised license agreement.
- (G) <u>Termination</u>. This License is effective until terminated. This License will terminate automatically without notice from "SELLER" if Licensee fails to comply with any provision of the License or the terms set forth herein. Upon termination, Licensee agrees to destroy, delete or purge the written materials and all copies of the Software, including modified copies, if any and provide licensor and "SELLER" with Buyer's written confirmation of Buyer's destruction of all software or copies of licensed software and related manuals, code, instructions and warnings.
- (H) <u>Disclaimer of Warranties.</u> The Software and accompanying materials (including the User's Manual) are provided "as is" WITHOUT WARRANTY OF ANY KIND, INCLUDING THE IMPLIED WARRANTIES OR MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, even if "SELLER" has been advised of that purpose. Furthermore, "SELLER" does not warrant, guarantee, or make any representation regarding the use, or the results of the use, of the Software or written materials in terms of correctness, accuracy, reliability, current revision, or otherwise. "SELLER" specifically does not warrant the Software after you assume the operation. If the software or written materials are defective, Licensee, and not "SELLER," or its dealers, distributors, agents, or employees, assume the entire risk and costs of all necessary servicing, repair, or correction, except as stated in Paragraph (I) below.
- (I) <u>Defective Disks.</u> As the only warranty under this Agreement, "SELLER" warrants, to the original Licensee only, that at the time of shipment the disk(s) on which the Software is recorded is free from defects in materials and workmanship under normal use and service.
- (J) <u>U.S. Government Restricted Rights.</u> The Software and documentation provided with RESTRICTED RIGHTS. Use, duplication, or disclosure by the Government is subject to restrictions as set forth in subdivision (c)(l)(ii) of the The Rights in Technical

TCOS Rev B Page 6 of 7

Data and Computer Software clause at DFARS 252.227-7013 or subparagraphs (c)(l) and (2) of the Commercial Computer Software – Restricted Rights at 48 CFR 52.227-19, as applicable.
This section intentionally left blank.

TCOS Rev B Page 7 of 7