



## TERMS AND CONDITIONS OF SALE

**1. Acceptance:** All orders are subject to approval and acceptance by Seller. A written acknowledgement sent to Buyer of orders so approval shall constitute such acceptance by Seller. Seller may at any time alter or suspend credit, refuse shipment, or cancel unfilled orders when, in seller's opinion, the financial condition of Buyer warrants it, or when delivery is delayed by fault of Buyer or Buyer is delinquent in any payment. No order accepted by Seller will be subject to cancellations, termination, suspension, change, reduction, cutback, or any other modifications except with Seller's prior written consent. Any such modifications may be subject to a charge as determined by Seller. The terms of this contract shall supersede any conflicting terms contained on Buyer's purchase order or any document or instrument submitted by Buyer.

**2. Cancellation:** Orders may be canceled or deliveries deferred only upon the condition the buyer assumes immediate liability for and makes prompt payment to Seller of all expenses incurred, charges for commitments made by Seller, profit on work in process and contract value of items completed and ready for shipment.

**3. Prices, Taxes, and Payment:** All prices are firm unless otherwise agreed in writing. JALT Technologies reserves the right to change the prices and specifications of its Products at any time without notice. Any tax, duty, custom or other fee of any nature imposed upon this transaction by any federal, state or local governmental authority shall be paid by Buyer in addition to the price quoted or invoiced. In the event JALT Technologies is required to prepay any such tax, Buyer will reimburse JALT Technologies. Payment terms shall be net 30 days after shipment by JALT Technologies.

**4. Delivery and Shipment:** JALT Technologies will make every effort to ship the Products or provide the services hereunder in accordance with the requested date, provided, that JALT Technologies accepts no liability for any losses or for general, special or consequential damages arising out of delays in delivery. Shipment of all Products shall be F.O.B point of distribution by JALT Technologies. Identification of the Products shall occur when they leave JALT Technologies point of distribution, at which time title and risk of loss shall pass to Buyer. All shipment costs shall be paid by Buyer and if prepaid by JALT Technologies the amount thereof shall be reimbursed to JALT Technologies.

**5. Inspection:** Buyer shall inspect all items upon arrival and shall give written notice to seller within ten (10) days of arrival of any claim for shortage or non-conformance with the terms hereof. If Buyer shall fail to give such notice, all items shall be deemed to conform with, and Buyer shall be bound to accept and pay for items in accordance with the terms hereof.

**6. Returns:** No product may be returned without Seller's prior written approval. Transportation charges are to be prepaid by Buyer. Returned goods are subject to the Seller's inspection and acceptance. Seller may, in its discretion, replace an or all returned items within a reasonable time after Seller determines that the returned goods are not in accordance herewith, and in such event Seller shall not be liable for any damages arising from the defective delivery or delay caused thereby. When expressly authorized by Seller in writing, unused products may be returned to Seller subject to service handling, restocking charges and rebuilding charges to "as new" condition.

**7. Force Majeure:** JALT Technologies shall not be liable for any delays in the delivery of orders, due in whole or in part, directly or indirectly, to fire, act of God, strike, shortage of raw materials, supplies or components, retooling, upgrading of technology, delays of carriers, embargo, government order or directive, or any other circumstance beyond JALT Technologies reasonable control.

**8. Patent Indemnification:** Buyer shall protect and indemnify Seller and it's directors, officers, agents and employees against all claims for damages or profits, including all reasonable costs incurred by seller in connection therewith, arising from infringement of patents, copyrights, trademarks or misappropriation of designs, proprietary data or trade secrets of any person with respect to all goods manufactured either in whole or in part in accordance with Buyer's specification.

**9. Indemnification:** Buyer shall indemnify and hold harmless JALT Technologies from all loses, claims, damages, expenses or liabilities of any kind (including attorney's fees and court costs) resulting from or arising out of any use by Buyer of the Products

**10. Repairs, Alterations, and Modification:** Any repairs made to the products shipped by the Seller shall be at the expense of the Buyer unless specifically authorized by the seller in writing. Alterations or modifications to the product involving welding, soldering, drilling, or machining by the Buyer are not permitted or approved by the seller without specific authorization in writing by the Seller. Any unauthorized alteration or modification by the Buyer will void the warranty.

**11. Warranty:** Seller warrants its equipment against defects in workmanship and material for a period of 12 months from the date of shipment from the factory or JALT Technologies distributor under normal use and service and otherwise when such equipment is used in accordance with instructions furnished by Seller and for purposes disclosed in writing at the time of purchase, if any. Seller's liability under this warranty shall be limited to repair or replacement, F.O.B point of distribution, of any defective equipment or part which, having been returned to the factory, transportation charges prepaid, has been inspected and determined by the seller to be defective.

This warranty is in lieu of any other warranty either expressed or implied, as to the merchantability, quality, description, and fitness for any particular purpose or use, or any other matter.

Under no circumstance shall the Seller be liable to Buyer or any other third party for any loss of profits or other direct or indirect costs, expenses, losses or consequential damages arising out of or as a result of any defects in or failure of its products or any part or parts thereof or arising out of or as a result of parts or components incorporated in Seller's equipment but not supplied by the seller.

**12. Arbitration:** Any and all disputes or controversies arising under, out of or in connection with this contract or the sale or performance of the products shall be resolved by final and binding arbitration in the Commonwealth of Virginia.

**13. General:** No items to be furnished hereunder shall be exported by Buyer or by any customer of Buyer unless Seller is first notified in writing of the intention to so export and all applicable regulations and licenses are complied with and obtained by Buyer or its customer. Seller reserves the right to make changes in design at any time without incurring any obligation to make such changes in any items previously purchased, whether or not delivered.

Seller expressly disclaims application of any government procurement regulations in connection with any items to be furnished hereunder unless expressly agreed to in writing by an authorized representative of Seller.

The failure of JALT Technologies to enforce at any time any of the provisions of this contract, to exercise any election or option provided herein, or to require at any time performance by Buyer of any of the provisions herewith shall in no way be construed to be a waiver of any such provisions, or the right of JALT Technologies thereafter to enforce each and every provision.