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**COMPUTECH MANUFACTURING, INC.
TERMS AND CONDITIONS OF SALE**

The terms hereinafter set forth shall be deemed incorporated in the foregoing proposal ("Proposal").

References herein to the term "Computech" shall mean the Seller, Computech Manufacturing, Inc., a Missouri corporation. References to "Purchaser" shall mean the customer or potential customer to whom the Proposal is directed or any other party acting upon the foregoing Proposal.

1. PRICES

- a. FOB point of origin.
- b. Subject to change without notice at any time prior to acceptance of Proposal, as evidenced by Purchaser's formal written acknowledgment.
- c. Prices do not include sales tax, use or excise tax, or similar taxes which shall be the responsibility of, and paid by, the Purchaser unless the Purchaser shall provide Computech with a tax-exemption certificate acceptable to the taxing authorities.
- d. Subject to change caused by modifications of specifications or terms mutually agreed upon after Proposal's acceptance.

2. SHIPPING SCHEDULE

- a. Any completion date specified is subject to change caused by modification of specifications or terms mutually agreed upon after acceptance.
- b. Computech shall have no liability for loss or damage resulting from a delay in scheduled delivery caused by war, riots, strikes, labor disputes, fires, accidents, delays in receipt of parts or materials from suppliers or subcontractors, design or engineering problems, natural disasters, weather, or any other circumstances beyond Computech's control.
- c. Under no circumstances shall Computech have any liability whatsoever for loss of use or for any other indirect or consequential damages, similar or dissimilar, due to delay in scheduled delivery.

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3. WARRANTY / LIMITED WARRANTY

The Purchaser of goods from Computech shall be entitled to the following limited warranty:

- a. Except as noted in subparagraph h. below, any goods (products or parts) sold by Computech or supplied by Computech to Purchaser which, under normal operating conditions, proves defective in material or workmanship within one (1) year from the date of shipment will be repaired or replaced at Computech's option, excluding freight and installation, if Purchaser shall promptly send to Computech notice of the defect and establish that the goods have been properly installed, maintained and operated. At the option of Computech and in lieu of repairing or replacing the goods, Computech may refund the purchase price paid and receive back the goods which were furnished to the Purchaser.
- b. The terms of this warranty do not in any way extend to any product, or part thereof, which is sold by Computech to Purchaser and which has a life under normal usage, inherently shorter than one (1) year.
- c. **THIS WARRANTY IS A LIMITED WARRANTY AND IS IN LIEU OF ANY AND ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR PURPOSE.**
- d. In no event shall Computech (or its suppliers) be liable for any loss of use or "down-time" or for any special, consequential, incidental, or indirect damages with respect to goods furnished by Computech or anything done in connection herewith. This limitation of damages applies to, but is not limited to, such things as loss of product, loss of profit, labor, or other expenses. This limitation of Computech liability applies whether any claim against Computech is based upon contract, tort (including negligence), breach of warranty, strict liability or otherwise. In the event of a claim against Computech, its liability shall be strictly limited to, at Computech's option, replacement of the goods, repair of the goods, or a refund of the purchase price upon return of the non-conforming goods to Computech.
- e. The warranty is limited to the first Purchaser and is not transferable.
- f. Any action to enforce the provisions of this warranty shall be commenced within one (1) year of the accrual of the cause of action.

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- g. If Purchaser, without the written consent of Computech, makes any changes to the structure or configuration of the product or goods furnished by the Computech, then:
 - i. All warranties of Computech shall become void and of no effect.
 - ii. Purchaser shall there by assume any and all liability for property damage, personal injury, death or other consequence arising out of operation and use of the modified part of Computech's goods and Purchaser agrees to indemnify and hold Computech harmless from and against all such liability and expenses, including reasonable attorneys' fees with respect thereto.
- h. Provided, however, in the event goods are furnished by third parties and not manufactured by Computech, then the warranty provided hereunder will be the lesser of the warranty provided by such third party or the Computech warranty stated above.

The foregoing Limited Warranty shall not be modified, amended, or replaced in any manner by virtue of any subsequent communication or correspondence between the parties, including the acknowledgment by the Purchaser.

4. RETURNED MERCHANDISE

- a. In no case are goods to be returned without first obtaining written permission from Computech in the form of a return authorization number.
- b. A Purchaser returning merchandise must pay transportation charges and bear risks of loss or damage to goods while in transit to and from Computech.

5. PRODUCTION ESTIMATES AND PERFORMANCE

All working drawings or other materials provided by Computech are for general information purposes only. Any specifications contained therein are not binding on Computech except as expressly so stated in this Proposal or otherwise in writing. The goods shall be deemed accepted by Purchaser if the Purchaser continues to use the goods or if the Purchaser has not given written notice to Computech within ten

(10) days of delivery of the goods to the Purchaser stating with particularity any reasons for nonacceptance. Computech reserves the right to make, at any time, such changes in detail of design or construction as shall, in the judgment of Computech, constitute an improvement to the goods.

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6. CANCELLATION

- a. Following acceptance by Purchaser, this Proposal may not be cancelled without the written consent of Computech.
- b. In the event of a request to stop work or to cancel the whole or any part of the proposal, the purchaser shall make payment to Computech for the following:
 - i. Costs incurred by Computech in connection with this proposal up to the date of cancellation. In such event, the purchase shall pay an amount equal to the sum of all direct material costs (including restocking charges), all direct labor, all engineering expenses, any special tooling, and all associated costs, plus 30%; or 40% of purchase price of the proposal, whichever is greater.
 - ii. Any work scheduled for completing within 60 days of notice of purchaser's cancellation will be paid in full and the purchaser will accept shipment.

7. PAYMENT TERMS

Unless otherwise agreed to in writing, Purchaser shall pay for the purchase price for the goods as follows:

- a. Thirty three percent (33%) at the time the order is placed.
- b. Thirty three percent (33%) at start of assembly.
- c. Thirty Four percent (34%) prior to shipment

Any payments not made within five (5) days thereafter shall be subject to a late fee or service charge equal to twelve percent (12%) per annum. In the event it is necessary for Computech to retain an attorney to collect balances due hereunder, then all costs associated therewith, including a reasonable attorney's fee, shall be paid by Purchaser.

8. ACCEPTANCE OF PROPOSAL

The acknowledgment and acceptance of this Proposal must clearly state name and address of the Purchaser, shipping instructions, and all conditions, mechanical and otherwise, with which Computech is expected to comply. The Purchaser shall furnish a written "acknowledgment" which shall constitute the Purchaser's acceptance of this Proposal. Any subsequent acknowledgment or Counter-Proposal shall be conclusively deemed to include the Terms and Conditions of Sale contained in this Proposal unless this provision is waived in writing by Computech.

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9. SECURITY AGREEMENT

Purchaser hereby grants to Computech a security interest under the provisions of the Uniform Commercial Code in all goods which are sold hereunder to secure all balances and obligations now or hereafter due by Purchaser to Computech of any nature. At the request of Computech, Purchaser agrees to execute a UCC Financing Statement or other documents necessary for perfection of this security interest. Purchaser constitutes Computech as its agent and power of attorney for the purpose of executing financing statements or other documentation to evidence perfection of the security interest herein granted.

10. TITLE

Delivery of goods to the carrier by Computech consigned to Purchaser, or as Purchaser shall direct, shall constitute transfer of title (subject to reservation of security interest) and ownership. Such carrier shall be deemed to be acting for the Purchaser and the risk of loss to the goods thereafter shall be the Purchaser's. At no time does title to the design & or intellectual property or rights there to pass on to Purchaser. The design & intellectual property remain as the property of Computech Manufacturing Co., Inc.

11. USE / OCCUPATIONAL SAFETY AND HEALTH ACT (OSHA)

- a. It is Purchaser's or user's responsibility to provide all proper means that may be necessary to effectively protect all persons from serious bodily injury which otherwise may result from the use, operation, set-up, or service of Computech's goods supplied hereunder. Purchaser will comply with all procedures or rules of OSHA or other governing authorities, including those requirements with respect to guarding of machinery and lock out and tag out procedures.
- b. Purchaser, or other user, must advise Computech, if modification to the goods is required for compliance.
- c. Goods designed and manufactured by Computech are capable of being used in a safe manner, but Computech cannot guarantee their safety under all circumstances. PURCHASER MUST INSTALL AND USE THE GOODS IN A SAFE AND LAWFUL MANNER IN COMPLIANCE WITH APPLICABLE HEALTH AND SAFETY REGULATIONS AND LAWS AND TO A GENERAL STANDARD OF REASONABLE CARE.

12. ERRORS

This Proposal and other quotations are subject to revision in case of clerical error, whether in favor of the Purchaser or Computech, upon notice by either party.

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13. HOLD HARMLESS / INDEMNITY

Purchaser shall hold Computech harmless from any and all liability, costs, damages, attorney's fees, and expenses resulting from claims or causes of action of any nature arising out of the sale or use of the goods manufactured or supplied by Computech except to the extent such claims or liability results from the fault, or alleged fault, of Computech.

14. APPLICABLE LAW

These Terms and Conditions and the contractual arrangement between the parties shall be interpreted and governed by the internal laws of the State of Missouri.


15. GENERAL

Acceptance of this Proposal must be without qualification. No terms or conditions other than those stated herein, and no agreement or understanding, oral or written, purporting to modify these terms or conditions, whether contained in Purchaser's acknowledgment, shipping release forms or elsewhere, shall be binding upon Computech unless such modifications are hereafter made in writing and signed by an authorized representative of Computech. There are no agreements between Computech and Purchaser with respect to the goods quoted herein except as set forth herein or as otherwise set forth in writing and expressly made a part of this quotation.

All amendments and/or modifications shall be deemed to include each and every of the provisions herein set forth. The term "goods" as used herein shall mean goods as defined under the Uniform Commercial Code and shall also be deemed to include engineering, labor, or other services or intangibles which may be part of the Proposal. The party accepting this Proposal warrants that he/she has the authority to do so on behalf of the Purchaser.

16. CONFIDENTIALITY

Both Computech and the Purchaser agree to respect the confidential information of the other party. "Confidential Information" shall mean all technology, data, inventions, information, drawings, records, processes, know-how, patent applications, trade secrets, or other proprietary information which is disclosed by one party to another. Provided, however, Confidential information does not include information which (a) can be demonstrated to have been known to the receiving party or its affiliates or advisors prior to the date of this Proposal, or after the date of this Proposal but prior to the time of disclosure, (b) becomes generally available to the public other than as a result of a breach of this Proposal, (c) is furnished to a receiving party by a third party who is lawfully in possession of such information and who lawfully conveys such information,

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(d) is required to be disclosed by any law, judicial order or rule, or by any order, rule or regulation of any governmental agency or other governmental body, or (e) is subsequently developed by the receiving party independently of the information received from the disclosing party.

17. **NONLIABILITY FOR GOODS BEING STORED BY COMPUTECH.** In the event the Purchaser has requested that Computech store or retain the goods for a period of time following their availability for delivery, such storage shall be at the risk and expense of the Purchaser.

18. **INSTALLATION**

Unless agreed in writing otherwise, installation is not included. Time required for installation and/or training will be at an extra cost to Purchaser.

19. **TEST MATERIALS**

In the event test materials are necessary in order to verify operation of goods, Purchaser shall furnish, at Purchaser's expense, such product as is necessary for full testing of goods in the opinion of Computech, with these to be furnished at the point of manufacture.

20. **COMPLIANCE WITH LAW AND LOCAL ACTION**

If national or local laws, ordinances, regulations, or special or unusual climate conditions were not conveyed to Computech, it will be the responsibility of the Purchaser to supply such additional specifications and pay for any modifications which are required in accord with Computech's normal pricing policies. These charges will be added to the purchase price. If any such modifications alter the performance or prevent the goods from performing in a manner which otherwise would have been reasonably anticipated by Computech, Computech shall not be liable therefore and shall not be required to take any action to meet the revised performance specifications.