

## Terms and Conditions of Sale

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### 1. ACCEPTANCE

These Terms and Conditions of Sale ("Agreement") apply to all offers made by and orders accepted by Teledyne Isco, Inc. ("Teledyne"). Acceptance of your ("Buyer's") order is expressly conditioned upon Buyer's assent to these terms and conditions, excluding all other terms and conditions. Any change to this Agreement must specifically be agreed to in writing by an authorized representative of Teledyne.

Some of the terms set out here may differ from those in Buyer's order or offer, and some may be new. Teledyne's failure to object to provisions contained in any communication from Buyer does not waive any of the provisions of this Agreement.

Buyer's failure to reject this Agreement within 10 days after being informed of Isco's receipt of customer order, or Buyer's receipt of the goods or acceptance of the service, whichever occurs first, is Buyer's unconditional acceptance of these terms and conditions.

### 2. PRICES

The prices offered are valid for a period of thirty (30) days from the date of the proposal. The prices offered apply only to the specific quantities, specifications and delivery schedule set forth in the proposal. Any variation in quantity, specifications, or schedule may necessitate a price adjustment.

Prices are F.O.B. shipping point.

### 3. CREDIT APPROVAL AND PAYMENT

Credit terms, shipments, deliveries, and performance of work are at all times subject to the approval of Teledyne's credit department. Each shipment is a separate and independent transaction and payment must be made accordingly.

If, prior to shipment of an order, Buyer fails to fulfill the terms of payment of any prior invoice or if, in the opinion of Teledyne, the Buyer's financial condition has become impaired or unsatisfactory, Teledyne reserves the right to change without notice the terms of payment and/or delay or discontinue further shipments, without prejudice to any other available legal remedies, until past due obligations have been paid and Teledyne has received acceptable assurance regarding prompt payment of future obligations. Balances remaining unpaid after the due date indicated on invoices are subject to a late payment charge of 1.5 percent per month (18 percent per year) together with expenses incidental to collection including reasonable attorney's fees and court costs. In the event of Buyer's bankruptcy or insolvency, Teledyne will be entitled to terminate any order then outstanding and to receive reimbursement for Termination under Article 10, Termination and Change Orders.

Standard Payment terms are net thirty (30) days from date of invoices.

Goods held for Buyer by Teledyne are at the Buyer's risk and expense.

### 4. TAXES

The amount of any present or future sales, use, excise, import duty, or other tax applicable to the manufacture and sale or lease of the goods covered by this order will be added to the purchase price and must be paid by Buyer, unless the Buyer provides Teledyne with a tax exemption certificate acceptable to the taxing authority.

### 5. SHIPPING TERMS AND RISK OF LOSS

All domestic sales by Teledyne are F.O.B. Teledyne Place of Shipment, as defined in the Uniform Commercial Code.

All international sales by Teledyne are Ex-Works, as defined by INCOTERMS 2000.

The Buyer agrees to remit payment to Seller for actual transportation charges or standard shipping and handling charges per Seller's pre-determined standard fee structures whichever applies.

### 6. TOOLING

Unless otherwise provided by special written agreement signed by Teledyne and Buyer, all equipment, tools, and designs produced, acquired, or used by Teledyne for the purposes of filling Buyer's order remain the property of Teledyne.

### 7. PACKING, PACKAGING, INSPECTION, TESTS, AND RETURN AUTHORIZATIONS

Teledyne provides normal commercial packing, packaging, and Teledyne's usual tests at the quoted prices. Any additional requirements, including without limitation Buyer's source inspection, are at Buyer's expense.

The goods under this Agreement are furnished with Teledyne's usual inspection standards at the place of manufacture. If Teledyne and Buyer agree that Buyer is to inspect or provide for inspection at the place of manufacture, that inspection may not interfere unreasonably with Teledyne's operations, and the Buyer's approval or rejection must be made before shipment of the goods.

Buyer will promptly notify Teledyne of nonconformance(s) in the goods and afford Teledyne a reasonable opportunity to inspect the goods. No goods may be returned without Teledyne's authorization.

Failure to follow Teledyne's return procedures could result in lost goods, delays, additional service or restocking charges, warranty denial, or refusal of a shipment. All goods returned to Teledyne must be clearly identified with a return authorization number (RAN), which Teledyne will assign in writing once it determines that the goods should be returned for evaluation or repair. The RAN must appear on the shipping label and all paperwork associated with the return. Teledyne has the right to reject goods returned without the correct Return authorization number (RAN) clearly marked on the outside of the shipping container.

Granting a return authorization does not necessarily mean that a credit will be approved or that the evaluation or repair will take place without fee.

### 8. EXPORT COMPLIANCE; FOREIGN CORRUPT PRACTICES ACT (FCPA)

For any resale, export, or re-export of the goods, Buyer must comply with all applicable export regulations, export licensing requirements, and the U. S. Foreign Corrupt Practices Act, 15 U.S.C. §§ 78dd1 through 78dd3, as amended.

### 9. DELIVERY AND FORCE MAJEURE

Shipping dates are approximate and require prompt receipt of all necessary information from Buyer. Teledyne is not liable for any damages, re-procurement costs, or penalties. Without limiting the generality of the foregoing, Teledyne is not liable for delays due to weather conditions, acts of God, acts of civil or military authorities, fires, strikes, job actions, floods, earthquakes, epidemics, quarantine restriction, war, terrorism, riot, supplier

or vendor delays, or any other causes beyond the reasonable control of Teledyne. In the event of delay, the date(s) of delivery will be deferred for a period that accounts for the time lost by reason of the delay. If the excusable delay under force majeure continues for more than six (6) months, Teledyne and Buyer each will have the option of terminating the affected Purchase orders under Article 10, Termination and Change Orders.

If Teledyne's production is curtailed for any of the above reasons so that Teledyne does not deliver the full amount released, Teledyne may allocate production deliveries among its various customers then under contract for similar goods. The allocation will be made in a commercially fair and reasonable manner. When allocation has been made, Buyer will be notified of the estimated quota made available.

#### **10. TERMINATION AND CHANGE ORDERS**

Buyer may request to terminate the order for convenience in whole or in part and Teledyne agrees to cooperate with Buyer in attempting to make such arrangements conditioned on Buyer paying Teledyne for deliveries made, and for the remainder of the work, its full direct and indirect costs, settlements with suppliers, related administrative, accounting, and legal costs, plus a normal profit.

All change order requests must be submitted by the Buyer in writing and will not be effective unless Teledyne consents in writing to the change. Charges may be assessed to the Buyer for changes to standard products. Charge will be assessed to Buyer for changes, deletions or cancellations for non-standard products.

#### **11. LIMITED WARRANTY - HARDWARE**

Teledyne warrants that its goods will be free from defects in material and workmanship for a period of 12 months from the date of original shipment. The specific warranty for a given product is the one in effect on date of shipment. In the event that Buyer identifies any defects in material or workmanship, Buyer will promptly notify Teledyne of the defective goods and the specific nature of the defect.

Teledyne at its sole discretion will repair or replace any such goods found by Teledyne to be defective after authorized return by Buyer. Buyer will return defective goods, transportation and insurance prepaid, in accordance with instructions issued by Teledyne. Teledyne's warranty does not apply to any goods that have been subjected to improper installation, misuse, alteration, repair, neglect, accident, inundation, fire, or the like.

THESE EXPRESS WARRANTIES, INCLUDING REMEDIES, ARE EXCLUSIVE AND ARE IN LIEU OF ANY AND ALL OTHER WARRANTIES, EXPRESS OR IMPLIED. NO WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE IS INTENDED OR GIVEN.

IN THE CASE OF GOODS OTHER THAN THOSE OF TELEDYNE'S OWN MANUFACTURE, TELEDYNE MAKES NO WARRANTIES, EXPRESS, STATUTORY, OR IMPLIED. THE ORIGINAL MANUFACTURER OF THE GOODS MAY OFFER A WARRANTY.

#### **12. INDEMNIFICATION**

Each party will hold harmless and indemnify the other party against all claims, judgments, costs and fees, including attorney fees, relating to infringement of U.S. patents, designs, copyrights, or trademarks to the extent that the infringing goods are manufactured, sold, and used in whole or in part to the indemnifying party's specifications.

To the extent that one party's employees or agents enter on the property owned or controlled by the other party, the first party will hold harmless the other party, its officers, directors, and employees for any property damage or personal injury or death caused by the first party's employees or agents.

#### **13. LIMITATION OF LIABILITY**

NOTWITHSTANDING ANY OTHER PROVISIONS OF THIS ORDER, UNDER NO CIRCUMSTANCES IS EITHER PARTY LIABLE FOR ANY CONSEQUENTIAL, SPECIAL, INCIDENTAL, INDIRECT, MULTIPLE, ADMINISTRATIVE, OR PUNITIVE DAMAGES, OR ANY DAMAGE OF AN INDIRECT OR CONSEQUENTIAL NATURE ARISING OUT OF OR RELATED TO ITS PERFORMANCE UNDER THIS CONTRACT, WHETHER BASED UPON BREACH OF THE CONTRACT, WARRANTY, OR NEGLIGENCE AND WHETHER GROUNDED IN TORT, CONTRACT, CIVIL LAW, OR OTHER THEORIES OF LIABILITY, INCLUDING STRICT LIABILITY, EVEN IF ADVISED IN ADVANCE OF THE POSSIBILITY OF SUCH DAMAGES. TELEDYNE'S TOTAL LIABILITY INCLUDING BUT NOT LIMITED TO LIABILITY FOR INDEMNITY, DEFENSE, AND HOLD HARMLESS OBLIGATIONS IS LIMITED TO NO MORE THAN THE AMOUNT PAID TO TELEDYNE UNDER THIS ORDER AND BUYER AGREES TO INDEMNIFY TELEDYNE FOR ANY EXCESS AMOUNTS. TO THE EXTENT THAT THIS LIMITATION OF LIABILITY CONFLICTS WITH ANY OTHER PROVISION(S) OF THIS CONTRACT, SUCH PROVISION(S) WILL BE REGARDED AS AMENDED TO WHATEVER EXTENT REQUIRED TO MAKE SUCH PROVISION(S) CONSISTENT WITH THIS PROVISION.

#### **14. ARBITRATION AND LAW**

Disputes which arise under this order and which cannot be settled amicably by the parties will be settled by arbitration in Lincoln, Nebraska in the United States of America under the prevailing rules of the commercial conciliation and arbitration rules of the American Arbitration Association. Judgment upon the arbitration award or decision may be entered in any court of competent jurisdiction. Arbitration awards and decisions are subject to Article 13, Limitation of Liability.

The laws of the State of Nebraska excluding its conflicts of laws provisions and excluding the United Nations Convention on the International Sale of Goods ("CISG"), govern the interpretation and enforcement of this contract.

#### **15. UNENFORCEABLE PROVISIONS**

In the event that one or more provisions of this Agreement is held to be unenforceable, the remaining provisions apply in full and the invalid or unenforceable provision will be replaced by a provision which lawfully enforces the parties' intention underlying the invalid or unenforceable provision.

#### **16. WHOLE AGREEMENT; AMENDMENT**

This document is the entire understanding between the parties, and it supersedes all previous or additional agreements, arrangements and drafts. This Agreement may be amended or modified only by agreement of authorized representatives of the parties to this Agreement in writing.