VSP TECHNOLOGIES STANDARD TERMS AND CONDITIONS OF SALE AND SERVICE UNLESS OTHERWISE AGREED TO IN WRITING BY VSP TECHNOLOGIES, THE FOLLOWING APPLY TO ALL SALES AND SERVICES:

1. **DEFINITIONS.** "**Buyer**" means the entity to which Seller is providing Products or Services under the Contract. "**Contract**" means either the contract agreement signed by both parties, or the purchase order signed by Buyer and accepted by Seller in writing, for the sale of Products or Services, together with these Terms and Conditions, Seller's final quotation, the agreed scope(s) of work, and Seller's order acknowledgement. In the event of any conflict, the Terms and Conditions shall take precedence over other documents included in the Contract.

"**Contract Price**" means the agreed price stated in the Contract for the sale of Products and Services, including adjustments (if any) in accordance with the Contract.

"**Products**" means the equipment, parts, materials, supplies, and other goods Seller has agreed to supply to Buyer under the Contract.

"**Seller**" means the entity providing Products or performing Services under the Contract.

"**Services**" means the services Seller has agreed to perform for Buyer under the Contract.

"**Terms and Conditions**" means these "General Terms and Conditions for the Sale of Products or Services", together with any modifications or additional provisions specifically stated in Seller's final quotation or specifically agreed upon by Seller in writing.

"Ex Works" means that the seller delivers when it places the goods at the disposal of the buyer at the seller's premises or at another named place (i.e.,works, factory, warehouse, etc.). The seller does not need to load the goods on any collecting vehicle, nor does it need to clear the goods for export, where such clearance is applicable.

2. **WARRANTY.**SELLER warrants that if any product of its manufacture upon examination is found by a SELLER'S representative to be defective in either workmanship or material under normal use and service SELLER, at its option, will repair or replace same free of charge including lowest transportation charges but not cost of installation or removal, or have the purchase price refunded, provided that SELLER receives a written claim specifying the defect within ninety (90) days from date of distributor sale or one (1) year from date of factory shipment, whichever occurs first. SELLER further warrants that if a service performed by it for BUYER in installation or repair of equipment or parts examination of SELLER'S manufacture is found by a SELLER'S representative to be defective in workmanship under normal use and service, SELLER, at its option, will repair or replace same free of charge including lowest transportation charges or will refund the purchase price thereof, provided that SELLER receives written claim specifying the defect within ninety (90) days from date of service. The performance of a service by SELLER with respect to machinery, apparatus, accessories, materials, or supplies provided by BUYER or not manufactured by SELLER are specifically excluded from SELLER's warranty. All warranties with respect to machinery, apparatus, accessories, materials or supplies not manufactured by SELLER shall be limited to their respective warranties of the manufacturers thereof, if any, which SELLER may be permitted to pass on to BUYER. The effects of corrosion, erosion, misuse, improper installation (if not by SELLER), neglect and normal wear and tear are specifically excluded from SELLER'S warranty. ALL OTHER WARRANTIES EXPRESSED OR IMPLIED INCLUDING ANY

WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR USE ARE HEREBY DISCLAIMED. SUBJECT TO CLAUSE 14(c) BELOW, THE FOREGOING EXPRESSES ALL OF SELLER'S OBLIGATIONS AND LIABILITIES WITH RESPECT TO THE PRODUCTS AND SERVICES FURNISHED BY IT HEREUNDER. The liability of SELLER, on any claim of any kind, whether based on warranty, contract, negligence or otherwise, for any loss or damage arising out of, connected with, or resulting from this contract, or from the performance or breach thereof, or from the manufacture, sale, delivery, resale, repair or use of any equipment covered by or furnished under this contract shall, subject to clause 14(c) below, in no case exceed the purchase price, and upon expiration of the warranty period all such liability shall terminate. The foregoing shall, subject to clause 14(c) below, constitute the sole liability of SELLER.

3. **ORDER ACCEPTED BY SELLER.**

    1. All orders received from BUYER are subject to acceptance by SELLER.

    2. All sales are limited to and expressly made conditional on BUYER'S assent to these typed and printed terms and conditions of sale. In the event BUYER accepts any articles or services, such performance by BUYER shall be deemed to be upon all the terms and conditions herein contained. Any articles or services SELLER sells or provides will be deemed accepted by BUYER upon delivery, in the case of articles, or performance, in the case of services. These typed and printed terms and conditions shall apply to the exclusion of all and any terms or conditions which are implied by trade, custom, practice or course of dealing.

    3. Terms and conditions on the BUYER'S order form, at variance with terms and conditions stated herein, are binding upon SELLER only if specifically accepted by a duly authorized representative of SELLER in writing.

    4. Orders accepted by SELLER cannot be cancelled by BUYER except with SELLER'S written consent and upon terms that will indemnify SELLER against loss, including, without limitation, compensation for all costs of performance incurred by SELLER through cancellation.

    5. BUYER may, prior to shipment, make changes in the specifications of the product or the quantity ordered; provided however, any such change shall be subject to written acceptance by the SELLER. BUYER agrees to pay any and all additional direct or indirect costs occasioned by such change order, and the SELLER reserves the right to modify or revoke the limited warranty set forth in clause 1 above if it deems that said change will affect the performance of the product. SELLER shall advise the BUYER of the new delivery date necessitated by any such change.

4. **CANCELLATION OF PURCHASE ORDER:** Buyer may cancel its order only with the prior written consent of Seller, which Seller may withhold in its sole discretion. All cancelations will be subject to payment to Seller of reasonable and proper cancelation charges. Buyer may return Products only at its sole cost and only with the prior written authorization of Seller, subject to a restocking fee as agreed by the parties. No returns of special, custom, or made-to-order Products will be permitted. No returns will be permitted more than 60 days after delivery.

5. **SAMPLES.** In the event samples are furnished to BUYER, SELLER will not assume any liability in connection with the furnishing or use thereof and there will be no agreement of warranty collateral to, or affecting, the furnishing of such samples.

6. **PRICE AND PAYMENT.**

    1. Unless otherwise stated, legal delivery and prices are EXW (Incoterms 2010) SELLER's plant and prices do not include transportation charges. Transportation charges, if included, are estimates only and are subject to change.

    2. **Taxes Not Included in Price:** Except where otherwise prohibited by law, all sales, excise, use or similar taxes or charges by any national, federal, state or local government or relevant authority, which SELLER may be required to pay or collect, shall be in addition to price stated and shall be paid by BUYER, unless a valid exemption certificate is furnished therefore.

    3. **Payment:** All accounts are payable within thirty (30) days. SELLER may demand payment or Irrevocable Letter of Credit (L.O.C.) in advance of shipment if, in SELLER'S opinion, the credit or financial condition of BUYER is, or is about to become, impaired or SELLER has insufficient credit history with BUYER. A monthly finance charge of 1.5% (18% annually) may be imposed on any portion of BUYER'S account not paid within the terms stated on the SELLER'S invoice from the due date for payment until actual date of payment.

    4. **Payments Where Shipments are Delayed:** In the event of BUYER caused shipment delays including, without limitation, where BUYER requests delay in shipment or BUYER does not perform inspection BUYER requires before shipment, SELLER shall have the option of billing for goods when ready for shipment. If material is not ordered out within sixty (60) days after goods are ready, SELLER will have the option of billing storage charges.

    5. **Credit Card Payments:** A 3% surcharge will be applied to all invoices paid by credit card, including term customers who choose to pay by credit card.

7. **DELIVERY.**

    1. **Shipping Dates:** Shipping dates are approximate only and are subject to change.

    2. **Unforeseen Delays:** SELLER shall not be liable in damages or otherwise for delays or failure in performance when caused by circumstances, of every nature and description and however arising, beyond SELLER'S reasonable control, including, without limitation, fire, acts of God, strikes, labor difficulties, acts of governmental or military authority, and/or delays in transportation or in procuring materials. In the event that SELLER is unable, due to any such occurrence or otherwise, to fulfill its total commitments to all customers, BUYER agrees to accept as full and complete performance by SELLER, deliveries in accordance with such plan or proration as SELLER may adopt.

    3. **Packaging:** SELLER will provide commercial packaging, adequate under normal conditions, to protect the goods in shipment and identify the contents. Should BUYER request any special packaging, it will be done at BUYER'S expense.

4. **Routing:** All goods will be shipped via the most cost effective means of transportation under the circumstances, unless BUYER indicates otherwise. In the event BUYER requests expedited shipping and handling, SELLER shall comply provided BUYER pays all reasonable expediting and increased shipping fees and expenses. If BUYER provides no routing instructions, SELLER shall be the sole judge of the best method of routing shipment.

5. **Claims:** Claims for loss or damage in transit must be entered and prosecuted by the BUYER. SELLER will provide reasonable assistance, at BUYER'S expense, upon request.

8. **SPECIAL TOOLING.** All special tooling required to produce the goods shall remain the property of the SELLER unless specific arrangements are otherwise made. In any case, SELLER'S responsibility is limited to proper design, proper handling in manufacture and storage, and adequate insurance. The BUYER is responsible for costs resulting from: (1) requested alterations, (2) major repairs or replacements caused by normal wear, (3) additional costs incurred when new factors are introduced such as shorter lead time and/or increased rate of delivery. The term "Special Tooling" shall include such items as molds, dies, forms, jigs, mandrels, fixtures, and other special equipment, except machinery that is required to produce the goods.

9. **DISCREPANCIES AND RETURNS**. If BUYER believes there are or may be any errors, omissions or inconsistencies in the Sales Order Acknowledgement, Invoice, or other documents related or supplemental to its order, BUYER must submit a claim, with satisfactory evidence in support thereof.

    1. **Notification to SELLER:** BUYER is responsible for inspecting all shipments for damages and verify quantity at the time of delivery. If damage is found, please refuse the shipment, or mark the carrier's paperwork properly to notate damages. Claims may be denied if damage is not reported at the time of delivery. VSP Technologies must be contacted within **48 hours** of delivery of any discrepancies.

    2. **Return of Goods:** To ensure returns are being handled appropriately, contact Account Specialist for an RMA# prior to returning items. Returns without prior authorization will not be accepted by VSP Technologies. A 30% restocking fee will be charged on returns for price of item only. All associated freight charges will not be reimbursed. If the return is caused by a VSP Technologies error, item price and freight charges will be reimbursed. **Training Cancellation:** A 50% cancellation fee will be charged if training is canceled less than 60 days prior to the scheduled date.
    All returns must meet the following requirements.

        - Return claim is made within **30 days** of purchase date.
        - Items must be in unused condition.
        - Item must be in original packaging.

10. **COLLECTION COSTS.** BUYER agrees to pay reasonable attorney fees and legal costs incurred should it become necessary to use such methods to collect any amounts past due.

11. **INTELLECTUAL PROPERTY.** SELLER retains all rights, title, and interests in any intellectual property rights embodied in or associated with its products and services furnished hereunder. Unless the SELLER and BUYER mutually agree otherwise in writing, SELLER owns all rights, title, and interest in any custom developments relating to its products and services, including all rights, title, and interest in all worldwide copyrights, trade secrets, trademarks, service marks, patents, utility models, industrial designs, proprietary rights or other intellectual property. BUYER shall not reverse engineer, modify, decompile, analyze the composition of, create other works from, or disassemble any of SELLER'S products.

12. **PATENT INFRINGEMENT.**

    1. Should the goods furnished by SELLER be of such a nature that the design therefore is supplied by BUYER, or should the goods be labeled or marked with a trademark or trade name requested by BUYER, the BUYER agrees to defend SELLER in any action, either civil or criminal, brought against SELLER by any third party, for the infringement or misuse of any such patents or trademarks, and BUYER further agrees to hold SELLER harmless from any damage or loss resulting therefrom.

    2. As to any of the goods manufactured according to a design or specifications not furnished by BUYER, SELLER shall indemnify and save harmless BUYER from any claim that any use or resale of the same in and of itself infringes any patent or patent right if the BUYER within (30) days notifies SELLER in writing of any such claim and gives SELLER authority, information and assistance (at SELLER'S expense) to dispose of such claim and to defend any suit that may be brought against the BUYER or BUYER'S customer thereon. In that event, SELLER will at its expense, defend any such suit and satisfy any judgment therein to an amount not exceeding the price paid SELLER for said goods held to infringe. If, in any such suit, an injunction is issued against the further use of said item or any part thereof, SELLER will at its option and expense either procure for the customer the right to continue using said goods, or replace the same with non-infringing goods, or modify them so that they become non-infringing, or remove said goods and refund the purchase price and transportation and installation costs thereof. SELLER shall not be liable in any respect except as aforesaid, including without limitation, for any claim of infringement settled by BUYER without SELLER'S consent. The foregoing expresses all of SELLER'S obligations and liabilities as to patents.

13. **GENERAL PROVISIONS.**

    1. **EXPORT CONTROLS.** The commodities, materials and related information covered by this invoice may be subject to the export control laws. The purchaser/distributor shall not knowingly sell, export, transfer or dispose of, whether directly or indirectly, the commodities, materials, and related information covered by this invoice to countries, destinations, or end users that are prohibited under law. Further, the purchaser/distributor shall not commit to any order placed by or for any firm which is disallowed under law. Any orders originating from, or which will result in delivery to, prohibited individuals or entities located within or controlled by any country subject to restrictions under export control laws, may not be filled without the prior authorization and approval of the relevant government.

2. **Modifications of Contract:** It is agreed that there is no other contract in force between BUYER and SELLER and no alterations, amendments or modifications to this agreement shall be binding unless agreed to in writing by SELLER. Should SELLER by any words, acts or writing, waive or be deemed to have waived any of the provisions of this agreement, or should SELLER fail to insist upon performance by BUYER of one or more of the terms herein, such action or failure on SELLER'S part will in no way be deemed to imply or otherwise constitute a waiver of any other terms contained in this agreement.

3. **Limitation of Liability:** Under no event shall SELLER be liable for any claims for special, indirect, incidental, collateral, consequential, punitive, or special losses or damages. SELLER shall not be liable for any risk, damage, or loss occasioned by SELLER'S performance of a product or service with respect to machinery, apparatus, accessories, materials, or supplies provided by BUYER or not manufactured by SELLER.

4. **Choice of Law:** It is expressly agreed and understood that this agreement shall be governed and interpreted under the laws of Virginia.

5. **Severance:** If any court or competent authority finds that any provision of the agreement (or part of any provision) is invalid, illegal or unenforceable, that provision or part-provision shall, to the extent required, be deemed to be deleted, and the validity and enforceability of the other provisions of the agreement shall not be affected. If any invalid, unenforceable or illegal provision of the agreement would be valid, enforceable and legal if some part of it were deleted, the provision shall apply with the minimum modification necessary to make it legal, valid and enforceable.

6. **Third Party Rights:** A person who is not a party to this agreement shall have no rights under or in connection with it.