

SALES ORDER TERMS, CONDITIONS, & GENERAL INFORMATION

1. All prices are in US Dollars, and subject to change without notice.
2. All prices are FOB, MICATU, Inc., Horseheads, New York, 14845. These prices do not include shipment costs, applicable taxes, tariffs, or fees, which will be borne by the buyer. Freight will be prepaid and charged on invoice. Unless otherwise requested, shipping is by UPS Ground or equivalent.
3. MICATU, Inc. must be listed as the vendor on all purchase orders. Acceptance of an order is subject to credit verification and a minimum order amount of \$50.00.
4. All net unit pricing will be rounded to the nearest dollar.
5. Sales Quotes are valid for no more than a 30 day period from issuance and supersede any terms detailed on any formalized sales quote.
6. Payment terms are either pre-pay before shipment or net 30 days with pre-approved credit. If a "Bill To" address is outside of the United States of America, pre-payment or other pre-approved terms are required. An interest rate of 1½ % per month is added to past due accounts. Credit Card payment is accepted (AMEX, MasterCard, VISA).
7. Each MICATU instrument is shipped with one copy of the factory "Users Guide" for that instrument. Additional copies are available for purchase at nominal cost.
8. All MICATU, Inc. products are warranted against defects in materials and workmanship under normal use and service for a period of 1 Year from date of shipment from MICATU. Warranty is limited to repair or replacement, at MICATU's factory, of any part or parts which MICATU's examination shows to be defective. There are no warranties, obligations, liabilities for consequential damages, or other liabilities on the part of MICATU except for the warranty covering repair of defective materials or workmanship. The warranties of merchantability and fitness for a particular purpose are expressly excluded.
9. Third party purchasers, distributors or sales agents when purchasing for resale, must indicate the end user of instruments for warranty to be transferred. Micatu's standard warranty period is 12 months from shipment from the approved reseller, but not to exceed 24 months from the MICATU factory. Micatu offers additional warranty coverage for an additional fee and must be requested as part of the original sales quote and must be validated through formal acceptance of the Sales Order acknowledgement.
10. A cancellation charge of 20% of the net purchase price shall be applied to the cancellation of any formally acknowledged order. Additional charges will be applied when customer-ordered modifications have been made or "SP" specialty products not manufactured by MICATU, such as CTs, power supplies, modems, cabinets and enclosures, etc., have been purchased.
11. Products can only be returned with the prior approval of MICATU. Credit will be granted upon receipt of as-new, re-sellable condition products, transportation prepaid. The credit amount will be the purchase price appearing on the original order less a restocking charge equal to 30% of this purchase price. "SP" specialty products not manufactured by MICATU, such as electronics, software, voltage cards, power supplies, modems, cabinets and enclosures, etc., are non-returnable and considered a final sale item.
12. **TERMS.** These Sales Order Terms and Conditions are the exclusive contract between Buyer and Micatu Inc. There are no terms, understandings, agreements, other than those stated herein. Upon acceptance, shipment of Products or commencement of work, Seller is bound by these Terms and Conditions, including all provisions set forth on the face of any applicable Purchase Order or Sales Order

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Acknowledgement. These Terms and Conditions may not be altered, amended, nor waived except in writing signed by an officer of the party to be bound thereby. If any provisions of Seller's confirmation or other writings are different from or are otherwise in conflict with these Terms and Conditions, these Terms and Conditions shall govern and the terms contained in Seller's confirmation or other writings are expressly rejected by Micatu Inc.

13. **TERMINATION.** Micatu Inc., has the exclusive authority and may terminate or suspend any Purchase Order or Sale Order Acknowledgement on notice to Buyer. Micatu Inc's only liability for such termination shall be refund of any pre-payments or for any previously delivered Products returned to Micatu.

14. **ARBITRATION.** The parties will submit any dispute related to this Agreement to arbitration in Chemung County, New York before an arbitrator under the American Arbitration Association's Commercial Arbitration Rules. A party may seek interim relief from any court having jurisdiction without waiving any remedy under this Agreement. The arbitrator may not award punitive damages or other damages not measured by actual damages, or limit, expand or otherwise modify the terms of this Agreement. A party may enter a judgment on an award in any court having jurisdiction. The prevailing party is entitled to an award of reasonable attorney fees.

PURCHASE ORDER TERMS AND CONDITIONS

1. **TERMS.** These Purchase Order Terms and Conditions are the exclusive contract between Buyer and Micatu Inc. There are no terms, understandings, agreements, other than those stated herein. Upon acceptance, shipment of Products or commencement of work, Seller is bound by these Terms and Conditions, including all provisions set forth on the face of any applicable purchase order. These Terms and Conditions may not be altered, amended, nor waived except in writing signed by an officer of the party to be bound thereby. If any provisions of Seller's confirmation or other writings are different from or are otherwise in conflict with these Terms and Conditions, these Terms and Conditions shall govern and the terms contained in Seller's confirmation or other writings are expressly rejected by Micatu Inc.
2. **PRICE.** Seller may not increase prices after acceptance for a period of not less than 90 days. If Seller reduces its price, Seller shall reduce Micatu Inc's, price accordingly. The price on the Order is complete and no additional surcharges or taxes may be added. Seller warrants that the Products will not be subject to United States countervailing duties.
3. **PAYMENT.** Unless otherwise specified in an Order or agreed in writing by the parties, payment terms are net 30 days from Micatu Inc., receipt of Seller's invoice and invoicing may occur only after receipt of goods. Micatu Inc., has no obligation to pay any invoice for Product received more than one month after shipment. Unless otherwise specified on the face of this Order, all prices are quoted in U.S. Dollars. Payment does not constitute acceptance of Product or relieve Seller of any obligations. Micatu Inc., may withhold funds, without interest, to assure itself of the discharge of all Seller's obligations or Micatu Inc., claims. Micatu Inc., may set off any amount owing from Seller to Micatu Inc., (or any of Micatu Inc.'s affiliates and subsidiaries) against any amount payable by Micatu Inc., (or any of its affiliates and subsidiaries) to Seller.
4. **SHIPMENTS.** Seller shall ship Product F.O.B. Delivered unless otherwise specified in an Order. Seller shall package the Product per Micatu Inc.'s specifications and in compliance with applicable laws, rules and regulations. For Pre-Shipments, or Shipments in Advance of Delivery dates, Sellers must contact Micatu for approvals at least 10 days before shipment for approval. In the event Seller does not get approval and ships earlier than specified on the Purchase Order, Micatu reserves the right to charge 3% of the Purchase Order total to accept early shipments. Any order

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not pre-authorized for early shipment is subject to this 3% early shipment penalty and will be deducted from the total specified on the original Purchase Order.

5. **DELIVERY.** If delivery of Product or rendering of services is not completed by the time provided for or established through purchase order acknowledgment, Micatu Inc., may, without waiving any of its rights and remedies, terminate this Order, purchase substitute items or services elsewhere and extend payment terms to net 60 from delivery date.
6. **TITLE AND RISK OF LOSS.** Title and risk of loss for Products transfers to Micatu Inc., when Products are offloaded on delivery to Micatu Headquarters or ship to designation established by Micatu Inc.
7. **MSDS AND LABELS.** Seller shall provide Micatu Inc., with a copy of each of its current and future revised Product labels, decals and stencils ("Labels") and Material Safety Data Sheets ("MSDSs") (if required) for each Product. Seller represents and warrants that the Labels and MSDSs are (a) accurate, (b) in compliance with all industry standards and applicable laws, rules and regulations. Micatu Inc., has no obligation to review the accuracy or adequacy of the Labels or MSDSs.
8. **WARRANTY.** Seller warrants that (a) the Product conforms to Seller's published specifications, drawings, and has a certificate of conformance (b) the Products are free from design defect, merchantable, and suitable for the purpose intended by Micatu Inc., (c) Seller has free and clear title to Product delivered to Micatu Inc., (d) it shall not violate any United States, or foreign, federal, state, national, provincial, municipal or other statute, law, regulation or ordinance, and (e) the Product does not infringe any patent, trademark, trade secret or trade name.
9. **REMEDIES.** Micatu Inc., may inspect Products prior to acceptance. Notwithstanding any inspection, Seller is responsible for any nonconformance. Micatu Inc., may return nonconforming Product to Seller for, at Micatu's option, replacement, credit, or refund at Seller's risk and expense including but not limited to, all transportation costs (both ways) and other handling costs. Notwithstanding anything set forth in Seller's terms, Micatu Inc., may avail itself of any remedy available at law or in equity.
10. **INDEMNITY.** Seller shall indemnify, defend and hold Micatu Inc., harmless from and against any claim, demand, action, penalty or liability (including defense or settlement costs and reasonable attorneys' fees) ("Claim") if the Claim is caused or alleged to be caused by (a) Seller's breach of this Agreement and (b) the negligence or willful misconduct of Seller, its employees or agents. Micatu Inc., shall indemnify, defend and hold Seller harmless from and against any Claim related to personal injury or property damage to third parties to the extent the Claim is caused by Micatu Inc.'s sole negligence or willful misconduct. The parties' rights and remedies are cumulative and in addition to any other rights and remedies the parties have at law or equity.
11. **FORCE MAJEURE.** Neither party is liable for nonperformance or delay in performance caused by circumstances beyond the party's control ("Force Majeure Event"). Product shortages, increases in Seller's costs, events due to Supplier's negligence, or any foreseeable events are not circumstances beyond Seller's control under this provision.
12. **TERMINATION.** Micatu Inc., may terminate or suspend any Order on notice to Seller. Micatu Inc.'s only liability for such termination shall be payment for any properly delivered Products. Micatu Inc., may return saleable inventory on termination of this Order without incurring restocking fees.
13. **ARBITRATION.** The parties will submit any dispute related to this Agreement to arbitration in Chemung County, New York before an arbitrator under the American Arbitration Association's Commercial Arbitration Rules. A party may seek interim relief from any court having jurisdiction without waiving any remedy under this Agreement. The arbitrator may not award punitive damages or other damages not measured by actual damages, or limit, expand or otherwise modify the terms of this

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Agreement. A party may enter a judgment on an award in any court having jurisdiction. The prevailing party is entitled to an award of reasonable attorney fees.

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