

## TERMS & CONDITIONS OF SALE

1. Prices quoted are effective for 90 days from the date of Quotation.
2. All orders are subject to acceptance or rejection by Air Monitor Corporation (hereinafter referred to as "Seller"). No order or contract shall be deemed accepted unless and until such acceptance is made in writing by Seller.
3. Upon notification of order acceptance, prices will remain firm provided that the order is released for fabrication within 120 days of acceptance.
4. On approved orders, payment terms are net 30 days from date of invoice. All past due accounts will bear interest at the rate of 18% per annum. Overdue accounts will be considered grounds for the rescheduling or cancellation of any or all orders. In any action to collect an overdue invoice the prevailing party shall be entitled to recover attorney's fees and costs. If in the judgment of Seller the financial condition of Purchaser does not justify continuing production or shipment of the acknowledged equipment based on the payment terms herein specified, Seller may require full or partial payment prior to completion of production or shipment. Seller reserves the right to invoice for partial shipments.
5. All designs and patentable features are, and shall remain, the property of Seller, including those resulting from the requirements of Purchaser. Seller reserves the right to make changes in design, at any time, without incurring obligations to provide same on units previously purchased or to continue to supply obsolete units or parts.
6. The prices provided for herein are exclusive of any present or future Federal, State, Municipal or other sales, property, use of excise tax upon the material, equipment or services. If the Seller is required by applicable law to pay or collect any such taxes, then such taxes shall be added to the purchase price, unless certificates of exemption are furnished by Purchaser to Seller prior to billing.
7. Seller shall not be liable for delays occasioned by fires, strikes, or other causes beyond reasonable control. The shipment date is Seller's best estimate of the time material will be shipped from the factory. Seller shall have no liability for loss, damage or consequential damages due to delays. If Purchaser delays delivery of any items, Seller may invoice Purchaser for said items and hold them at Purchaser's risk and expenses pending instructions from Purchaser.
8. All shipments shall be made F.O.B. Santa Rosa, California, and title and risk of loss of the equipment shall pass to Purchaser at F.O.B. point unless expressly indicated otherwise in writing signed by Seller. Unless Purchaser specifies in writing at the time of order the desired method of transporting (air express, motor freight, etc.), Seller will normally use the best, least expensive surface transportation. Boxing and packing for domestic shipment are included in the quoted price. When special domestic or export packing is specified involving greater expense than that customarily supplied, a charge may be made to cover such extra expense. Reasonable care is exercised in packing products for shipment and Seller assumes no responsibility for delay, breakage, or damage after having made delivery in good order to carrier. Even where an allowance for freight has been added to the order, the Purchaser assumes all risk of loss, damage, or shortage in transit, and all claims shall be made by Purchaser against the carrier, but Seller will render all possible assistance in securing satisfactory resolution of such claims.
9. Specifications and all other terms and statements appearing in Seller's literature and advertisements, and otherwise made by Seller, are subject to change without notice. The weights and dimensions shown in the sales literature are not guaranteed.
10. Goods may not be returned except by written factory authorization. When returned, goods will be subject to handling, restocking, repair (if required, and transportation costs. The amount of credit to be issued to a Purchaser for return of unwanted or unused material shall be in accordance with Seller's schedule from time to time promulgated. In the event no such schedule is in effect then said credit shall be negotiated with Seller on an item-by-item basis.
11. Seller's products are covered by its standard warranty unless otherwise specified in the Seller's terms and conditions agreed to at the time of sale.
12. Purchaser may, at any time, request a change in the quoted specifications, method of packing and shipment, date for performance, etc. If such changes would result in increased costs or time to complete the performance of the contract, Seller shall submit a revised quotation identifying the price and schedule for which the change can be implemented. Purchaser may accept said quotation at any time within the acceptance period specified therein.
13. The equipment is not for use in or with any facility that handles or processes nuclear materials unless specifically so stated in Seller's quotation. Purchaser accepts the responsibility for insuring that the equipment is not used in violation of this limitation and Purchaser shall indemnify and hold Seller harmless from any and all liability (including such liability resulting from Seller's negligence) arising out of said improper use.
14. Prices quoted do not include installation, training, or other services, except as specifically offered in the quotation.
15. Notwithstanding any other provision of the contract, in no event, shall the Seller or its subcontractors or suppliers be liable, whether arising under contract, tort (including negligence), strict liability, or otherwise, for loss of anticipated profits, loss by reason of plant shutdown, non-operation or increased expense of operation, service interruptions, cost of purchased or replacement power, claims of customers, cost of money, loss of use of capital or revenue, decontamination expense, or for any special, incidental or consequential loss or damage of any nature arising at any time or from any cause whatsoever. Seller's maximum liability hereunder, arising from any cause whatsoever, whether based in contract, tort (including negligence), strict liability or any other theory of law, shall not exceed the contract price.
16. In the event of any conflict between the terms and conditions contained herein, any terms on any invoice, purchase order or other document, these terms and conditions shall control. No failure of Seller to insist upon strict compliance of Purchaser to any of these terms and conditions or to promptly exercise any right accruing from any default of Purchaser shall impair Seller's rights in case Purchaser's default continues or in case of any subsequent default by Purchaser.
17. The rights and obligations of Seller and Purchaser with respect to Seller's quotation and any resulting contract shall be governed by the laws of the State of California.