

SCIENTECH TERMS & CONDITIONS OF SALE

1. COMPLETE AGREEMENT:

Scientech Inc. (herein called "Seller") and Buyer agree that the sale and purchase of Seller's Products and/or Services are quoted and sold under the Terms and Conditions, herein. These comprise the complete agreement between Buyer and Seller for the purchase of Seller's product.

2. ACCEPTANCE:

Buyer's purchase order shall serve as acceptance of an offer represented by Seller's Quotation. Seller's terms and conditions supersede all communication, representations or agreements, oral or written, between Buyer and Seller with respect to the subject matter of a purchase order unless mutually agreed to in writing. Any purchase order used by Buyer containing any terms or conditions which would otherwise modify, conflict or contradict any term or condition herein shall be deemed to be non-binding on Seller. Buyer's acquiescence is expressly conditioned upon the full and complete protection afforded by the uniform commercial code in relation to warranties, remedies, and all other rights of Buyer under the code without limitation.

3. PRICE:

Purchase prices shall be as quoted in writing by Seller. Any discrepancies in purchase price shall be amended prior to acceptance of the Order by Seller. Seller pricing includes all expenses for shipping containers and packing, and transportation to the FCA point, BUT NOT sales or any other taxes or duties.

4. DELIVERY:

All shipments shall be made FCA (Free Carrier) Boulder, Colorado in accordance with Incoterms 2010. Delivery dates shall be to the FCA. origin.

If Seller agrees to include shipping to Buyer destination, Seller shall invoice Buyer all appropriate shipping costs and Buyer agrees to pay Seller's shipping costs as specified on Seller's invoice to Buyer. Seller will quote shipping costs and Buyer will include shipping cost on Purchase Order prior to delivery. All Buyer requests for shipping other than the FCA point must be in writing. Buyer's failure to amend purchase orders with shipping costs do not absolve Buyer from paying for shipping costs that were requested by Buyer in writing.

5. TITLE:

Title to the Product(s) shall pass to the consignee upon delivery to the FCA destination and upon receipt by Seller of payment in full.

Buyer may inspect the Product(s) at any reasonable time at Seller's facility, pending prior coordination with Seller. Final acceptance shall take place at Seller's facility via Seller's issuance of a certificate of compliance (CoC).

6. PACKING AND MARKING

Seller will pack and mark Products in accordance with Seller's requirements to ensure product delivery free of damage. Seller is responsible for the Products until delivery to the designated FCA

destination. All containers and packing material will become the property of Buyer upon delivery.

7. RISK OF LOSS

Risk of loss or damage to Products covered by a Purchase Order shall remain with Seller until, and shall pass to Buyer, only upon (i) delivery of the Products on board a carrier, if transportation is FCA Origin, or (ii) delivery and acceptance by Buyer at the destination agreed to by Seller and specified in the Purchase Order. For Products which fail to conform with Seller's product specifications, risk of loss shall remain with Seller until any nonconformance has been cured.

8. WARRANTY:

Seller warrants that the performance of services under this order shall conform to the highest professional standards. Seller warrants the goods delivered hereunder to be free from defects in workmanship and materials; to be of the most suitable grade of their respective kinds; to conform to applicable specifications, drawings, samples or other descriptions given; to be suitable for the purpose intended; to be of merchantable quality; to meet all of the performance requirements of Seller's design and to be free from defects in design when properly installed, operated and maintained, in accordance with operating instructions. Seller also warrants that the goods shall be so manufactured or constructed as to operate satisfactorily as specified. Seller's Product(s) are warranted against defects in materials and workmanship for a minimum period of twelve (12) months or the period noted in Seller's quotation from the date of shipment by Seller.

This warranty does not extend to any Seller Product(s) that have been subjected to misuse, abuse, or accident, or improper installation, maintenance or application; nor shall it extend to units which have been repaired or substantially altered by persons other than personnel authorized in writing by Seller.

Seller's obligations under this warranty are limited to servicing any product by Seller, upon return to Seller's authorized repair center. Items must be returned with transportation charges prepaid, using a Returned Material Authorization (RMA) number obtained from the Seller.

This warranty is in lieu of all other warranties, express or implied, including, but not limited to, the implied warranties of merchantability and fitness for a particular purpose. The Seller is not liable for damages, including, but not limited to, consequential damages arising out of, or in connection with, the use or performance of the Product. Seller hereby expressly disclaims the warranty against infringement.

9. TERMINATION:

Seller reserves the right to terminate the Agreement, without liability, by written notice of default in the event of an occurrence of any of the following: insolvency of Buyer, filing of a petition to have Buyer declared bankrupt, appointment of a receiver or trustee for Buyer, execution by Buyer of an assignment for the benefit of creditors, discontinuance of business by Buyer or the sale by

Buyer of the bulk of its assets, other than in the usual course of business.

10. CANCELLATION:

The guidelines of the Uniform Commercial Code, Article 2, shall prevail for termination of purchase orders, except that in the event of such termination, Seller shall be compensated in accordance with the provisions of Clause 10 herein. If Buyer cancels an Order for Product or any Product deliveries to be made pursuant to this Agreement, Buyer shall pay to Seller, at Seller's option, either (a) the total sum of the following: (i) the cost of all material and work performed by Seller up to the date of cancellation, (ii) profit of twenty five percent (25%) of (iii), and (iv) any cancellation charges incurred by Seller from its suppliers; or (b) the catalog list price, effective at the time of cancellation.

11. RIGHTS AND REMEDIES:

The rights and remedies of each party set forth herein shall be in addition to any other rights and remedies provided in law or equity. Any technical data and any product software to be provided under purchase orders shall be provided with limited rights.

12. PAYMENT:

- a) All prices are stated in U.S. Dollars, and all payments shall be in US Dollars.
- b) Domestic Customers: Net thirty (30) days.
- c) C) New International Customers: Mutually acceptable advance payment, balance via Irrevocable Letter of Credit confirmed through an acceptable Banking institution.
- d) Repeat International Customers: Net thirty (30) days.

13. GOVERNING LAW:

Seller's quotation / proposal and the Agreement shall be governed by the laws of the State of Colorado, U.S.A., notwithstanding its conflict of law rules.

Both Parties shall comply with all applicable federal, state and local laws, rules and regulations during performance of this order, including, but not limited to, the Occupational Safety and Health Act ("OSHA") of 1970 as amended; Toxic Substances Control Act ("TSCA") as amended; the Fair Labor Standards Act ("FLSA") of 1938 as amended; the Clean Air Act as amended; the International Traffic in Arms Regulations ("ITAR") as amended; and the Anti-Kickback Act of 1986 as amended, and the laws of the State of Colorado. Buyer indemnifies Seller from any and all claims and liability in any case of Buyer's non-compliance with such laws, orders, rules and regulations.

14. DISPUTES:

In the event that any claim or controversy arising out of this Order cannot be settled by the parties themselves, the parties agree to attempt in good faith to resolve such claim or controversy by mediation.

Any unresolved controversy or claim arising out of, or related to, a quotation or any resulting order which might be the subject of an action at law or suit in equity shall be settled by arbitration in Denver, Colorado, USA under the Commercial Arbitration Rules of the American Arbitration Association. Arbitration shall be

conducted in the English language and the arbitrators shall be specifically empowered to render a decree requiring specific performance. Judgment upon any arbitration award may be entered in any court having competent jurisdiction thereof.

15. EXPORT CONTROLS:

If Buyer has received technical data, manufacturing drawings, specifications, software or similar type items from Seller, it is the responsibility of Buyer to ensure compliance with all U.S. export laws and regulations. These laws include, but are not limited to, (1) Section 38 of the Arms Export Control Act as enumerated in 22 CFR Parts 120-130, the International Traffic in Arms Regulations (ITAR), and (2) Export Administration Act of 1979, as amended in 15 CFR Parts 730-774 of the Export Administration Regulations (EAR). Buyer indemnifies Seller from any and all claims and liability in any case of Buyer's non-compliance with such laws, orders, rules and regulations.

16. PATENT AND COPYRIGHT INDEMNITY:

Seller agrees to indemnify and hold the Buyer harmless from any and all valid claims and liability under applicable patent and copyright laws provided that Seller shall be given (a) immediate written notice of all claims of any such infringement and of any suits brought or threatened against Buyer and (b) authority as this may be done without prejudice of the right of the Buyer to continue the use, as contemplated, of the Product(s) so purchased. If, in any such suit so defended, the Product(s) is held to constitute an infringement and its use is enjoined, or if in the light of any claim of infringement Seller deems it advisable to do so, Seller may either procure the right to continue the use of the same for the Buyer, or replace the same with a non-infringing Product(s) meeting form, fit and function requirements, or modify said Product(s) so as to be non-infringing, or take back the infringing product and refund the purchase price less a reasonable allowance for use, damage or obsolescence.

17. CLOSURE:

Payment of final invoice constitutes final closure of purchase orders. Buyer expressly releases Seller from any and all liability pertaining to the purchase order upon completion of Seller's contractual obligations, whether or not final payment has been made.

18. INTELLECTUAL PROPERTY:

Intellectual Property (IP), including, but not limited to, patents, copy-rights, trademarks, and trade secrets, shall remain the property of the Seller and shall not be divulged under any circumstances without the establishment of a proper nondisclosure agreement.

19. WAIVER:

Any action or inaction by Buyer or the failure of Buyer, on any occasion, to enforce any right or provision of this order will not be construed to be a waiver by Buyer of its rights hereunder and will not prevent Buyer from enforcing such provision or right on any future occasion

20. FORCE MAJEURE:

Neither Party shall be liable for delays in the performance of any order arising out of causes beyond the control and without fault or

negligence. Such causes include but are not restricted to: Acts of God, the public enemy or the Government (including failure of the US Government to issue suitable export authorization or any revocation of such authorizations), fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather.

Neither Party shall be held liable for delays of any performance due to any default of a supplier(s) due to any of such causes, above, provided the defaulted supplies or services were not obtainable from other sources in sufficient time to meet the agreed upon schedule.

If Seller is unable to deliver the whole or any part of the order due to the reasons set forth herein, Buyer has the right to cancel or suspend the order in whole or in part by providing fifteen (15) day advance written notice thereof. Subsequent to such cancellation, a mutually agreed upon settlement shall be made between the

Parties for all work, materials, finished and unfinished Product(s), to include a reasonable adjustment for profit.

21. CONTRACTUAL DIRECTION

Sole authority to make changes in or amendments to this Order and to effect deviations (by way of addition or deletion) from the work specified herein is hereby granted by Buyer to the Procurement Administrator of this Order. All contractual direction in order to be valid must be written and signed by the Procurement Administrator or Authorized Representative.

22. LIMITATION OF LIABILITY:

In no event shall Seller be liable for any special, incidental, indirect, or consequential damages (including, without limitation, damages for loss of profits or business interruption) arising out of the use of or inability to use any product, equipment, or associated software described herein, either separately or in combination with any other product, equipment, software or other materials even if Seller has been advised of the possibility or certainty of such damages.