

## SENSIDYNE, LP - STANDARD PURCHASING TERMS AND CONDITIONS

- 1. General:** Seller shall review this order, including any drawings, specifications, or other documents referenced herein, whether attached or already in Seller's possession, to verify the accuracy and completeness of the documentation. Said documentation shall be considered complete and accurate by Seller unless written notification identifying discrepancies, is provided to Buyer within 5 days of receipt of Sensidyne, LP's purchase order.
- 2. Acceptance:** Seller's acceptance of order shall be by written acknowledgement or commencement of performance whichever occurs first. Buyer rejects any terms or conditions suggested or offered by Seller that are inconsistent with or additional to these terms and conditions. No change or modification to this order (including additional or different terms in Seller's acceptance) shall be binding on Buyer unless specifically agreed to in writing by Buyers authorized procurement representative.
- 3. Entire Agreement:** This order, including attachments hereto, constitutes the entire agreement between the Buyer and Seller and supersedes any prior oral or written agreements or understandings including proposals, offers or counter offers with respect to the subject matter hereof. No change to or modification of the order shall be binding on Buyer unless signed by Buyer.
- 4. Price:** Seller agrees that the prices appearing in the order are accurate and complete. Seller further agrees that all costs for packaging, crating, etc. for transportation to the shipping point identified and federal, state and local taxes, tariffs and duties are included.
- 5. Delivery:** Time is of the Essence. Supplies and/or services must be delivered to Buyer on or before the date(s) indicated on the order. Early delivery must have the prior written consent of the Buyer when made more than ten (10) days before the date(s) on the order. No variation in quantity is authorized and Buyer may reject a delivery that varies in quantity. When late delivery occurs, Buyer may at his discretion, reduce the price paid to Seller to offset lost sales, or costs incurred due to such late delivery. Seller shall be responsible for the articles covered by an order until they are delivered at the designated f.o.b. point.
- 6. Inspection:** The supplies or services being provided shall be subject to inspection, or test for material & workmanship as well as compliance to the specifications and other requirements set forth in this order. Inspection may occur at all times and places whether during or after manufacture. If supplies or services are defective in material or workmanship or otherwise not in conformity with the requirements of this order, Buyer in addition to its other rights may: reject same for full credit; require prompt correction or replacement thereof at Seller expense (including to and from transportation charges); or accept the material or services and unilaterally reduce the purchase order for costs incurred by Buyer to correct the defects or utilize the defective material or services. Completion or waiver of inspection does not relieve the Seller from meeting the specifications and other requirements of the order.
- 7. Warranties:** Seller expressly warrants, for a period of twelve (12) months, that all supplies, materials, parts and work covered by this order will conform to the specifications, drawings, samples or other description furnished or adopted by Buyer and will be merchantable, of good workmanship and material and free from defect. Such warranties shall survive inspection, test, and acceptance. Defective items will be returned to Seller at Seller's expense for repair, replacement, or credit/refund at Buyer's option. If Buyer finds it impractical to return defective articles, it may perform necessary repairs and charge reasonable costs thereof to Seller. Seller will reimburse Buyer for any and all costs, expenses, incidental or consequential damages arising out of the warranted defect.
- 8. Patents & Data Rights:** Seller shall save Buyer harmless from Liability or suit of any nature, including costs and expenses, arising from the manufacture, use or sale of any invention or data right except to the extent that any such liability or suit shall have arisen because of Seller's manufacture of articles using an original design of Buyer or made by Seller in accordance with specifications and drawings which are furnished by Buyer. Seller agrees to assign and assigns to Buyer any interest Seller may have in inventions or copyrights conceived by Seller and/or reduced to practice by Seller using funds provided by Buyer under this order. Seller hereby agrees to grant and grants to Buyer an irrevocable, non-exclusive, non-transferrable, paid up license to practice or have practiced for or on behalf of Buyer the invention or copyright throughout the world. In addition, any software developed by Seller for delivery under this order, or as a tool used in the performance of this order, shall be a trade secret owned by the Buyer.
- 9. Changes:** Buyer may, by written notice, make changes in the quantity, drawings, designs or specifications, method of shipment or packaging, place of inspection, delivery or acceptance, delivery schedules and amount of Buyer furnished property. If any such change causes an increase or decrease in the cost or time for performance, an equitable adjustment will be made. Nothing in this clause shall excuse Seller from proceeding with the Order as changed.
- 10. Default:** Buyer may terminate this purchase order in whole or in part for default by written or telephonic notice if Seller fails to make delivery in the time specified, fails to make progress so as to endanger performance, fails to comply with any other provisions of the Order, or becomes insolvent, suspends operations or if a petition is filed or proceeding commenced by or against Seller under any state or federal law relating to insolvency, bankruptcy, or receivership. Seller shall be liable for any cost associated with the re-procurement of similar supplies or services which are in excess of the amount defaulted.
- 11. Termination:** Buyer may stop work or terminate this purchase order in whole or in part for its convenience, for any reason by written or telephonic notice. In the event of termination for convenience, an equitable adjustment will be negotiated. Such adjustment will not exceed the value of terminated supplies or services in the order and shall exclude anticipated profit. Any claim for an equitable adjustment from Seller must be received within 30 days of notice of termination. When directed by Buyer, Seller agrees to stop work to the extent specified for up to 180 days at no cost to Buyer.
- 12. Compliance with Laws:** Seller agrees to comply with all applicable federal, state and local laws and indemnifies Buyer for any violation by Seller. The Equal Employment Opportunity clauses in Section 202 of Executive Order 11246, Section 503 of the Rehabilitation Act of 1973, and Section 4212 of the Vietnam Era Veterans Readjustment Assistance Act of 1974, as amended, and the implementing rules and regulations of the Office of Federal Contract Compliance Programs (41 CFR, Chapter 60) are incorporated herein.
- 13. Rights & Remedies:** The rights and remedies of the Buyer, as set forth herein, shall be in addition to any other rights and remedies provided in law or equity. Any failure or delay by the Buyer to exercise any rights or remedies under this order shall not operate as a waiver thereof. This order shall be governed in accordance with the laws of the state of Florida, U.S.A. Pending resolution of any dispute to the extent order is not terminated, Seller shall continue performance thereunder, as directed by Buyer.
- 14. Quality Assurance:** Seller shall provide and maintain a Quality Control System acceptable to Buyer. The system is subject to review by Buyer, and prior to delivery, shall perform inspection of all deliverables to applicable specifications. A Certificate of Conformance shall be provided when required by the order.
- 15. Buyer-Furnished Property (BFP):** Seller shall not use, reproduce, appropriate, or disclose for the benefit of any party other than Buyer, any material, samples, tooling, dies, drawings, designs, specifications, software, technical information or other property or information furnished by Buyer. Title to BFP shall be and remain in Buyer at all times. Buyer does not warrant the accuracy or reliability of any BFP. Seller shall bear the risk of loss, damage or destruction of BFP and shall promptly replace or repair, at Seller's expense, any of the BFP lost, damaged or destroyed. All BFP together with spoiled and surplus materials and articles, shall be returned to Buyer at termination or completion of Order unless directed otherwise by the Buyer in writing.
- 16. Payments & Invoices:** Payment will be made net forty-five (45) days from the date articles are delivered & inspected or an acceptable invoice is received, whichever is later. Any payment discount will be calculated from the same date. Separate invoices are required for each shipment and they must identify the order number and reconcile to the quantity and line item on the order.
- 17. Order of Precedence:** Any inconsistency among the provisions of this order shall be resolved by giving precedence in the following order: (a) Provisions typed on the face of the order, (b) terms & conditions, (c) statement of work, (d) specifications, (e) other referenced documents.