

TELEDYNE HASTINGS INSTRUMENTS SALES ORDER TERMS AND CONDITIONS

1. **CONTRACT:** All acceptances of Buyer's order and all sales by TET/Hastings Instruments are expressly conditional on the Terms and Conditions in this Sales Order and on any attachment hereto, including those limiting warranties, that are in addition to or different from the terms and conditions of Buyer's order forms or specifications, or from any and all conflicting oral representations by agent, representative, distributor, or employee of TET/Hastings Instruments. NO MODIFICATION OF THESE TERMS AND CONDITIONS SHALL BE BINDING ON TET HASTINGS UNLESS RECEIVED IN WRITTEN FORM WITHIN TEN (10) DAYS FROM DATE ON FRONT OF SALES ORDER AND SIGNED BY AN AUTHORIZED EMPLOYEE OF TET/HASTINGS INSTRUMENTS. The parties to this document are TET/Hastings Instruments hereafter referred to as "Seller", and the party designated on the face hereof, hereinafter referred to as "Buyer".
2. **DISCLAIMER OF WARRANTIES:** Seller disclaims any warranty, express or implied, that the goods supplied or the Seller's performance hereunder conform to any Military or other Government specifications, Federal acquisition regulations or other Government procurement standards. Seller disclaims the warranty of merchantability to the extent such warranty of merchantability may be deemed to include compliance with such specifications, regulations or standards. Seller also disclaims any warranty of fitness for a particular purpose or any other warranty implied by usage in trade or a course of dealing.
3. **REJECTIONS OF MILITARY OR OTHER GOVERNMENT STANDARDS:** Seller rejects any terms proposed by buyer at any time which would require that the goods or services supplied by seller conform to any Military or other Government specifications, Federal acquisition regulations or other Government procurement standards. Any such terms would constitute a material alteration of the contract between Seller and Buyer.
4. **SALE OF GOODS EXPRESSLY CONDITIONAL ON ASSENT TO DISCLAIMER OF WARRANTY THAT PRODUCTS NOT TO BE USED IN GOVERNMENT CONTRACT:** Seller's sale of the goods described in this order is hereby expressly conditioned upon Buyer's assent to Seller's disclaimer of warranties in Section 2 above. If this disclaimer of warranties is not acceptable, Buyer should notify Seller at once. Buyer expressly represents and warrants that it does not intend to use Seller's products in the performance of any Government contract. In the event Buyer uses Seller's products in the performance of a Government contract, Buyer expressly covenants and agrees that it will notify the Government in advance of Seller's disclaimers set forth in Section 2 above. Seller's sale of the goods described in this order is hereby expressly conditioned upon the Buyer's assent to this provision. If this provision is unacceptable, Buyer should notify Seller at once.
5. **TERMS:** Invoices shall be issued in accordance with the payment schedule shown on the order acknowledgment form. An interest charge of 1 1/2% per month will be charged on past due balances which is an effective rate of 18% per annum or the maximum amount allowed by law, whichever is less. All payments made shall be in United States currency.
6. **TAXES:** Unless expressly stated, all prices quoted do not include any applicable Federal, State, or local taxes. If Seller shall be required to pay such charges, either on its own behalf or on behalf of the Buyer, with respect to material covered by this order, such charges shall be added to the prices shown on order acknowledgment.
7. **DELIVERY:** Unless otherwise stated on the face of the Sales Order, all shipment of goods are in accordance with Seller's standard packaging and shipping policies and shall be F.O.B. Seller's facility with all such charges prepaid and added to the equipment invoice, or invoiced separately. Advance written request for shipment by Buyer's preferred carrier of routing will be honored, all charges thereon shall be for Buyer's account.

All scheduled completion dates are estimated. Seller will use its best effort to ship by the dates specified; however, Seller shall not be liable for any delay or failure in the estimated shipment or delivery of the equipment and material or for any damages suffered by reason thereof. Shipment made within thirty (30) days after specified date of delivery shall constitute a good and timely delivery.
8. **TITLE AND RISK OF LOSS:** Title to the finished equipment or any portion thereof, shall pass to the Buyer upon payment for the equipment. Risk of loss of, or damage to, the finished or any portion thereof, shall pass to the Buyer upon delivery to carrier F.O.B. point of shipment, or in the event of delay by Buyer, upon date of notice to the Buyer that the material is ready for shipment.
9. **WARRANTY:** Seller warrants that the equipment manufactured by it shall be free from defects in workmanship and material for a period of twelve (12) months from the date of shipment. Should any failure to conform to this warranty arise within said period, Seller shall, upon prompt notification thereof and provided that the equipment has been stored, installed, or erected, maintained, and operated in accordance with good industry practice and with any specific Seller recommendations, correct such non-conformity by furnishing a replacement part F.O.B. shipment point or, at its option, by repairing the defective part. Seller shall not be responsible for cost of transportation, removal, or installation. The effects of corrosion, erosion, normal wear, and aging are specifically excluded from Seller's warranty.

For equipment supplied by Seller but manufactured by others, Seller agrees to use best efforts to transfer the manufacturer's warranty, or any remaining portion thereof, to the Buyer, but unless otherwise specified, shall have no further liability with respect to such equipment.

Seller shall not accept back-charges for work performed by others upon or in connection with Seller's equipment unless prior authorization is given by Seller. In no case may authorized back-charges exceed the purchase price of the specific equipment on which back-charges were requested. Correction of non-conformities, whether patent or latent, in the manner and within the time provided above shall constitute the entire liability of Seller with respect to such equipment whether in contract, warranty, tort, strict liability, or otherwise.

EXCEPT FOR THE WARRANTY OF TITLE, THE FOREGOING WARRANTIES ARE EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES, WHETHER WRITTEN, ORAL OR IMPLIED, IN FACT, OR IN LAW (INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR PURPOSE)
10. **RETURNED MATERIAL:** In the event it is desired to return equipment to Seller for repair, a Service Request information form (located in the instruction manual) or a written description of the problem shall be submitted in writing to Seller with a request for authorization (RMA) to return the equipment.

In the event it is desired to return equipment to Seller for Credit, buyer shall request authorization to return the equipment (RMA). Should Seller accept the request, applicable restocking charges and an estimate of reconditioning charges may be quoted. If applicable authorization for return of equipment will be contingent upon acceptance of these charges. Returns for credit of outside purchased material will be accepted hereunder, provided original manufacturer's written permission can be obtained in advance. PRODUCTS EXPOSED TO RADIOACTIVE MATERIAL CANNOT BE ACCEPTED BY SELLER UNDER ANY CIRCUMSTANCES.
11. **SHORTAGES:** Shortages must be reported in writing to Seller within ten(10) days of receipt of material; otherwise, shipment is presumed to be complete and in accordance with the bill of lading and packing list.
12. **LIMITATION OF LIABILITY:** In no event, shall Seller, its subcontractors or its vendors be liable in contract, tort, strict liability, warranty or otherwise, for any special indirect, incidental or consequential damages, such as but not limited to, loss of anticipated profits or revenue, loss of use of system, non-operation or increased cost of operation or other equipment or cost of capital.

The liability of Seller, its representative, distributors, subcontractors or vendors, with respect to any contract, or anything done in connection therewith, or from the manufacture, sale, delivery, resale, technical direction of installation, repair, replacement or use of any equipment covered by or furnished under this contract, whether in contract, in tort, in warranty, in strict liability or otherwise, shall not exceed purchase price paid on the contract.

No action arising out of any claimed breach of this agreement or transactions under this agreement may be brought by Buyer more than one year after the cause of action has accrued.

THE REMEDIES OF THE BUYER SET FORTH IN THIS DOCUMENT ARE EXCLUSIVE.
13. **FORCE MAJEURE:** Seller shall not be liable for any loss or damage resulting from delay in prosecution or completion of the work caused by labor disputes, floods, fires, riots, thefts, accidents, inability to obtain necessary labor, materials, components, or fuel, acts of Government, or any other cause which is beyond the reasonable control of Seller. Seller agrees to notify the Buyer if any of these events occur. Seller shall have the right in the event of the happening of any of the above contingencies, to cancel this agreement or any part thereof without any resulting liability.
14. **CANCELLATION/TERMINATION:** Buyer agrees that an order shall in no event be subject to cancellation except by prior written consent of Seller, and then only when Seller is fully reimbursed for work performed and material used. In any event, goods returned to Seller, may be subject to a 15% restocking charge.
15. **PATENT INDEMNITY AND PATENTS:** Seller will defend any suit instituted against Buyer for alleged infringement of United States patents, issued or pending, related to equipment of Seller design prior to the delivery of said equipment provided such infringements shall consist only in the use of such equipment not in combination with other devices, and provided Buyer gives Seller immediate notice in writing of any claims of infringement or institution of any suit, permits Seller to defend such suit and furnishes all needed information, assistance, and authority to enable Seller to do so. In case of a final award of damages in any such suit, Seller will pay such award, but will not be responsible for any settlement made without its written consent.

Notwithstanding the foregoing, Seller shall have the right to cure any claim of infringement at its option by (i) acquiring the right for Buyer to use the equipment, (ii) supplying modified designs, additional or alternate modification to avoid a claim or infringement; (iii) refunding that portion of the purchase price received by Seller and abandoning or directing the return, at Seller expense, of the equipment.
16. **INDEMNIFICATION:** To the extent that Buyer's agents, employees, or subcontractor's enter upon premises occupied by or under the control of Seller, or any of its customers or suppliers, in the course of performance hereunder, Buyer shall take all necessary precautions to prevent the occurrence of any injury, including death, to any person, or any damage to any property, arising out of any actions or omissions of such agents, employees, or subcontractors. Except to the extent that any such injury or damage is due to Seller's negligence, Buyer shall indemnify and hold Seller harmless against all losses, claims, liabilities, and expenses, including reasonable attorney's fees, arising out of any act or omission of Buyer, its agents, employees or subcontractors, and Buyer shall maintain such Public Liability, Property Damage and Employee's Liability Compensation Insurance as will protect Seller from liability under any applicable Occupational health and Safety, Workman's Compensation, Occupational Disease Acts or similar laws.

Seller hereby agrees to protect, indemnify and save harmless and defend Buyer, its directors, officers, agent, employees, or subcontractors from and against any and all loss, costs, damage, injury liability, claims, liens, demands, penalties, interest or causes of action of every nature whatsoever in any manner arising out of or incident to or in connection with the performance of this work and resulting from any negligent act or omission or willful misconduct of Seller or its subcontractors or their officers, agents or employees, in an amount proportionate to and to the extent that such personal injury, death or property damage was caused by Seller's sole or comparative fault or liability.
17. **ASSIGNMENT:** Neither party shall delegate any duties, nor assign any rights or claims hereunder, without prior written consent of the other party.
18. **NON-WAIVER REMEDIES; COST AND ATTORNEY'S FEES:** The remedies of Seller herein reserved or created shall be cumulative and additional to any other or further remedies provided at law or equity. Seller may remedy any breach of the terms or conditions hereof without waiving the breach remedied or without waiving any other prior or subsequent breach. Buyer shall pay Seller costs and expenses, including attorney's fees, incurred by Seller in exercising any of its rights or remedies hereunder or enforcing any of the terms or conditions hereof. Any action for breach hereof must be commenced within one year after the cause of action has accrued.
19. **SPECIAL TOOLS:** Unless otherwise agreed in writing, all the tools, dies, patterns, jigs, and fixtures, if any, required for the manufacture of the goods shall remain the sole property of Seller and shall be retained in Seller's possession, whether or not Buyer has paid Seller for such items. These items shall be used by Seller in filling orders of Buyer, but if at any time a period of twelve (12) months has elapsed since the receipt of any order from Buyer requiring the use of such tools, dies, patterns, jigs, and fixtures, Seller may thereafter make any such use or disposition of such items as Seller desires, without any accounting to Buyer for such use or disposition, or the proceeds thereof.
20. **INFORMATION DISCLOSED:** Unless otherwise disclosed in writing to Seller, no information or knowledge heretofore or hereafter disclosed to Seller in the performance of or in connection with the terms hereof, shall be deemed to be confidential or proprietary and any such information or knowledge shall be free from restrictions, other than a claim for patent infringement, as part of the consideration hereof.
21. **WAIVER:** Waiver by Seller of any of these Standard Terms and Conditions shall not constitute a waiver of any other of these Standard Terms and Conditions.
22. **SEVERABILITY:** Any provisions hereof prohibited by law shall be ineffective to the extent of such prohibition without invalidating the remaining provisions hereof.
23. **GOVERNING LAW:** The Sales Order, its acceptance, sale of the equipment, and any other matter arising out of the transaction contemplated hereunder shall be governed by the substantive law of the Commonwealth of Virginia.
24. **NOTICES:** Any written notice provided for herein to be given to Seller by Buyer shall be mailed or delivered to Seller's address stated in the Sales Order or to an address and/or person subsequently designated in writing by Seller. Likewise, any notice to be given to Buyer by Seller shall be mailed to or delivered to Buyer at address stated in the Sales Order or to an address and/or person subsequently designated in writing to the Buyer.
25. **HEADINGS:** The headings used herein are for reference purposes and shall not affect the meaning or interpretation hereof.

These Terms and Conditions constitute the complete and exclusive agreement between the parties concerning the subject matter thereof and supersede all prior representations, statements and promises made by Seller which are not expressly stated in said Terms and Conditions.