

CERVIS, INC. TERMS AND CONDITIONS OF SALE

- 1. Agreement:** The purchaser grants to Cervis and Cervis retains a security interest in all equipment shipped pursuant to this contract and the proceeds thereof until the Purchaser shall have made full payment for the equipment. In the event of a failure to make payment on the date when due in accordance with the terms designated, the entire balance shall become due and payable at once. In case of default of payment, Cervis shall have the right to enter the premises of the purchaser and take possession of the equipment immediately, wherever it may be found, and remove it with or without process of law and may retain all money paid hereunder as liquidated damages and rental for said equipment. While any amounts are payable to Cervis, the Purchaser shall not sell, mortgage, pledge or lease said Cervis equipment without the prior written permission of Cervis.
- 2. Warranties:** Subject to the limitations below, Cervis warrants all of its products to be free from material defects in material and workmanship. However, Cervis liability under such warranty shall be limited to repair or replacement of any product which Cervis' inspection shall disclose to have been defective. This warranty does not apply to any products, which have been subject to abuse, mishandling, or improper use, and does not include field labor of any type. Cervis' quotation does not include price provision for performance bond of indemnity. Therefore, the additional cost incurred to provide such a bond shall be added to the total amount of the quote and paid by Purchaser. The warranty period for any equipment shipped hereunder is one (1) year unless otherwise stated and covers all labor and materials manufactured by Cervis provided the Purchaser returns them to the factory for repair. Defective items will be repaired or replaced free of charge at Cervis' discretion, during the stated warranty term. Freight and/or postage are not covered by said warranty and will be paid by the purchaser. Any services rendered in the field will be performed at current rates for time and travel at the discretion of Cervis and will be paid by the purchaser. Batteries, cases, switches, faceplates, foils, and such other items subject to normal wear and deterioration are not included in the warranty. Cervis' warranty period begins on product ship date. All repaired items carry a 90-day warranty.

IN NO EVENT WILL CERVIS BE LIABLE FOR INDIRECT, SPECIAL, INCIDENTAL, OR CONSEQUENTIAL DAMAGES. EXCEPT AS STATED ABOVE, CERVIS MAKES NO REPRESENTATIONS OR WARRANTIES, EXPRESSED OR IMPLIED, NO OTHER REPRESENTATION OR WARRANTY IS GIVEN, AND NO AFFIRMATION OF CERVIS OR ITS REPRESENTATIVES BY WORD OR ACTION SHALL CONSTITUTE A WARRANTY. THERE ARE NO WARRANTIES WHICH EXTEND BEYOND THE ONE (1) YEAR PERIOD DESCRIBED HEREIN. CERVIS SPECIFICALLY DISCLAIMS, AND PURCHASER HEREBY WAIVES, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR PARTICULAR PURPOSE.

CERVIS IS NOT AWARE OF ANY PURPOSE, USE OR APPLICATION FOR WHICH THE PURCHASER INTENDS TO USE THE PRODUCT.

CERVIS MAKES NO REPRESENTATION WITH REGARD TO THE SUITABILITY OF THE PRODUCT FOR ANY INTENDED USE OR APPLICATION BY THE PURCHASER.

CERVIS SPECIFICALLY DISCLAIMS ANY WARRANTY THAT THE PURCHASER'S INTENDED USE OR APPLICATION OF THE PRODUCT IS APPROVED BY CERVIS OR IS AN ACCEPTABLE OR APPROPRIATE USE OF THE PRODUCT.

- 3. Payment:** In the event credit is applied for and granted, terms shall be net thirty (30) days. All equipment will be invoiced at time of shipment. In the event any payment is not received according to the terms set forth herein, Cervis may, at its discretion, assess interest at the rate of 1 and ½ percent per month or the maximum rate allowed by law. The Purchaser also agrees to pay any reasonable and customary legal fees or agency commissions sustained by Cervis in pursuit of any payment which is past due.
- 4. Taxes:** The Purchaser agrees to pay any federal excise, state, or local taxes, if any.
- 5. Product or Price Change:** The contract, product specification, and statements concerning products and any published prices are subject to change without prior notification. The only exceptions are special quotations and purchase orders excepted by Cervis.
- 6. Delivery & Liability:** Cervis shall not be liable for loss or damage of any kind resulting from carrier delay, or inability to deliver on account of Acts of God, fire, labor troubles, accidents, acts of civil or military authorities, fuel, labor, or material shortages, or other such conditions beyond Cervis' control. The promised delivery date is the best estimate possible base on current and anticipated factory load. All shipments are made F.O.B. Origin, Freight Prepaid and Add unless otherwise stated. All transportation, when not specified by the Purchaser, will be the least expensive surface transportation. Costs of the packing for domestic shipments will be added to quoted prices. Any special packing may result in additional charges to Purchaser.
- 7. Returns and Cancellations:** Orders placed by Purchaser and entered upon Cervis' books cannot be canceled or changed except with Cervis' consent and upon terms that will indemnify Cervis against all losses. Cervis shall not accept returns without a request and authorization issued by it before shipment. All return shipments must be prepaid by the by the Purchaser and properly packed. Cervis shall not be responsible for damages incurred during such shipment. All returns are subject to a 25% restocking fee and must be received by Cervis within 30 days of purchase.
- 8. General:** All orders are subject to factory acceptance and shall not be considered a contract unless such order is accepted in writing by an authorized executive of Cervis. Cervis reserves the right to correct any clerical errors which may occur in quotations. Cervis shall not be bound by any statements or promises made by any representative of Cervis which are not stated in and made a part of this contract. This contract is expressly made subject to the terms and conditions contained herein and will be interpreted accordingly if a conflict arises with Purchaser or its terms of purchase. The parties stipulate to the venue and jurisdiction of the courts located in Allegheny County, Pennsylvania for the resolution of any dispute that may arise hereunder.

Cervis, Inc. 170 Thorn Hill Road Warrendale, PA 15086

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