



TERMS AND CONDITIONS OF SALE (Services)

1. DEFINITIONS

"Seller" means Teledyne Tekmar Company, a business unit of Teledyne Technologies Incorporated. "Buyer" means the legal entity purchasing Goods or Services from Seller. "Services" means the services offered by Seller and/or purchased by Buyer. "Offer" means any quote, proposal, or offer to sell Goods or Services provided by Seller to Buyer. "Order" means any purchase order or similar instrument issued by Buyer to Seller to purchase Services. Seller and Buyer are sometimes referred to herein individually as a "Party" and collectively as the "Parties".

2. ACCEPTANCE

The terms and conditions included in this "Terms and Conditions of Sale" document (hereinafter, this "Agreement") apply to all Offers made by Seller to Buyer and all Buyer's Orders accepted by Seller only for the equipment or Services identified by the Incident Number delineated on the face of the Order. Acceptance of Buyer's Order, and any changes or amendments thereto, is expressly conditioned upon Buyer's assent to these terms and conditions. Unless specifically agreed to in writing by a duly authorized representative of Seller, Seller objects to, and is not bound by, any terms or conditions that differ from or add to the terms and conditions specified herein. Seller's failure to object to any terms and conditions or any other provisions contained in any communication from Buyer, including, but not limited to, Buyer's Orders, does not waive any of the terms and conditions specified herein. Seller's acceptance of any resulting Order or Buyer's receipt of Goods or Services, whichever occurs first, will conclusively evidence Buyer's unconditional acceptance of these terms and conditions.

3. PRICES

Unless stated otherwise in writing by Seller, all prices and Service Fees (as defined below) are stated in U.S. Dollars and the prices offered are valid for a period of thirty (30) days from the date of Seller's Offer. The prices offered apply only to the specific scope of Services and schedules set forth in Seller's Offer. Any variations may necessitate a price and/or schedule adjustment.

4. CREDIT APPROVAL AND PAYMENT

Payment terms for Service Orders are net thirty (30) days from date of Seller's invoice, subject to credit approval of Buyer by Seller's Credit Department. Buyer may select a monthly, quarterly, or annual payment program ("Service Fee") (subject to credit approval of Buyer by Seller's Credit Department) only upon the commencement of the Order. Seller will issue invoices to Buyer in advance. Credit terms and performance of work are at all times subject to the approval of Seller's Credit Department.

If Buyer fails to fulfill the terms of payment of any prior invoice submitted by Seller, or if, in the opinion of Seller, Buyer's financial condition becomes impaired or unsatisfactory, Seller reserves the right to change, without notice, the terms of payment and/or delay or discontinue further performance of Services, without prejudice to any other available legal remedies, until past due obligations have been paid and Seller has received acceptable assurance regarding Buyer's prompt payment of future obligations. All amounts due to Seller but not paid by Buyer on the due date bear interest payable by Buyer to Seller in U.S. Dollars at a rate that is equal to the lesser of (i) one and one-half percent (1.5%) per month, or (ii) the maximum interest rate permitted under applicable law. Interest accrues on the balance of unpaid amounts as of the date on which portions of those amounts become due until the date payment is received by Seller. Buyer will also be liable to Seller for any expenses incidental to collection of past due amounts, including reasonable attorney's fees and court costs. In the event of Buyer's bankruptcy or insolvency, Seller is entitled to terminate any Order then outstanding and to receive reimbursement for termination costs and expenses pursuant to Article 12, Termination for Default.

5. SCOPE OF SERVICES; SHIPPING, AND FREIGHT

a. Service Agreements: Seller agrees to perform all necessary repair Services and standard preventative maintenance of the equipment specified on the face of the Order and in accordance with the attached Warranty/Service Agreement Coverage Summary and based upon the level of Service Performance purchased. Seller will perform the Services (i) in a professional and workmanlike manner, (ii) in accordance with applicable professional and industry standards, and (iii) in compliance with all applicable laws. The provision of parts, on-site Service, freight, and travel expenses are included only if specified on the face of the Order. Parts supplied under the Order will be new or reconditioned and will meet Seller's specifications for the equipment. Parts that are replaced by Seller become the property of Seller. The determination as to whether to repair or replace equipment or related parts will be at the sole discretion of Seller.

b. Charge Repairs: Seller agrees to perform the repair Services as specified on the face of the Order. Seller will perform the Services (i) in a professional and workmanlike manner, (ii) in accordance with applicable professional and industry standards, and (iii) in compliance with all applicable laws. The provision of parts, on-site Service, freight, and travel expenses are included only if specified on the face of the Order. Parts supplied under the Order will be new or reconditioned and will meet Seller's specifications for the equipment. Parts that are replaced by Seller remain the property of Buyer. The determination as to whether to repair or replace equipment or related parts will be at the sole discretion of Seller.

c. Buyer will be responsible for freight costs incurred for premium shipments. Buyer will be responsible for the packing and shipping any defective parts back to Seller, freight prepaid, within fourteen (14) days of discovery of the defect. Replacements for any parts not returned within such fourteen (14) day period will be invoiced at the part's full list price. Methods development and operator training are not included under the Order. Consumable supplies and accessories are not included under the Order, but may be purchased separately. A list of consumable parts is available on Seller's website at www.teledynetekmar.com. All domestic shipments by Seller will be made F.O.B. Seller's place of shipment, as defined in the Uniform Commercial Code. All international shipments will be Ex-Works, as defined by INCOTERMS 2000. Risk of loss for Goods will transfer to Buyer upon Seller presenting Goods to carrier. If Seller prepays shipping, insurance, or other related costs, Buyer agrees to reimburse Seller promptly for the actual costs incurred by Seller.

6. SERVICE EXCLUSIONS

Specifically excluded from coverage under the Order is any damage beyond control of Seller and any Services or parts required as a result of:

- a. Accident, fire, earthquake, explosion, or flood;
- b. Neglect or misuse;
- c. Storage or operation in an adverse climate or dirty environment;
- d. Unauthorized moving of the equipment;
- e. Failure of electrical power to remain within the specified limits;
- f. Repairs or modifications performed by personnel not authorized by Seller;
- g. Use other than that for which the equipment is intended pursuant to manufacturer's specifications.

7. SERVICE HOURS

All Services provided under the Order will be performed at mutually agreeable times during normal working hours (8:30 a.m. local time to 5:00 p.m. local time, Monday through Friday, excluding Seller holidays) unless otherwise specified in the Order. Service provided beyond the scope of the Order will be invoiced to Buyer at Seller's prevailing field service rates, inclusive of applicable travel and living expenses, travel time, and Service labor. No Service will be provided beyond the scope of the Order without the prior agreement of both Parties. During the term of the Order, Buyer will provide Seller, or its designated representative's, access to the site where the equipment is located. Should Buyer require Service, please contact Seller's Service Center located in Mason, Ohio at (800) 874-2004. Please provide the Incident Number listed on the face of the Order to help expedite the Service response.

8. SITE APPROVAL

Seller's service representative may from time to time inspect the site where the equipment to be serviced is located. Should the site fail to satisfy the requirements of the original installation requirements, including, but not limited to, environmental and electrical specifications, Seller's obligations under the Order will be suspended until Buyer satisfies the site requirements. Notwithstanding such suspension, Buyer will be obligated to continue paying the Service Fee provided hereunder. In the event Buyer moves the equipment, or any part thereof, from the original site, Seller reserves the right, in addition to all other rights it has with respect to site approval, to adjust the Service Fee effective immediately to reflect any increased Service and/or travel costs and to impose a reinstallation charge for any additional site survey costs or related costs incurred by Seller.

9. SCHEDULES AND FORCE MAJEURE

Seller is not liable for any delays in performing the Services due to force majeure, including, but not limited to, weather conditions, acts of God, acts of civil or military authorities, fires, strikes, job actions, floods, earthquakes, epidemics, quarantine restriction, war, terrorism, riot, supplier or vendor delays, or any other causes beyond the reasonable control of Seller. In the event of such delay, Seller will promptly notify Buyer and the date(s) of delivery will be deferred for a period commensurate with the

time lost due to the delay. If the excusable delay under force majeure continues for more than ninety (90) days, Seller and Buyer will each have the option of terminating the affected Order(s).

10. TAXES

The amount of any present or future sales, use, excise, import duty, or other tax applicable to the manufacture, sale, or lease of products or equipment will be added to the invoice and must be paid by Buyer, unless Buyer provides Seller with a tax exemption certificate acceptable to the applicable taxing authority.

11. TERMINATION FOR CONVENIENCE

Seller may terminate Buyer's Order for convenience upon providing Buyer thirty (30) days advance written notice. Early termination by Buyer is subject to cancellation costs based on provided Service Labor at Seller's prevailing Field Service Labor Rates and material or part prices at published list prices or Seller may alternately schedule a prorated refund. Seller will refund to Buyer any remaining portion of the Service Fee, based on the above charges through the date of termination. Upon termination by Seller, Seller will refund to Buyer the lesser of (a) the unused monthly prorated amount minus fifteen percent (15%), or (b) the difference between the Order price minus the list price for all Services rendered under the Order.

12. TERMINATION FOR DEFAULT

Either Party may terminate the Order if the other Party breaches a material provision of this Agreement or of the Order. In the event that a Party (the "Defaulting Party") is in breach of a material provision of this Agreement or the Order, the other Party (the "Non-Defaulting Party") will submit a written cure notice to the Defaulting Party advising of such breach. The Defaulting Party will have five (5) days to cure the breach. If the Defaulting Party does not cure the breach within the cure period, the Non-Defaulting Party may terminate the Order.

13. CHANGES ORDERS AND AMENDMENTS

All change order requests must be submitted by Buyer to Seller in writing and will not be effective unless and until Seller consents in writing to the change. Seller will advise Buyer in writing of the price and/or delivery schedule impact, if any, of the change request. Seller's acceptance of changes will be subject to Buyer's agreement to any price and/or delivery schedule adjustments.

14. INSURANCE

Seller agrees to carry and maintain the minimum following insurance from reputable carriers:

a. Commercial General Liability Insurance with a combined single limit of not less than \$1,000,000 per occurrence and in the aggregate. All policies shall include coverage for blanket contractual liability assumed hereunder; and

b. Statutory Coverage Workers' Compensation Insurance (including Occupational Disease Coverage) in accordance with the laws of the states where the Services will be performed.

Seller will provide Buyer with certificates of insurance issued by the carriers evidencing the above coverages prior to commencement of Services.

15. LIMITED WARRANTY

SELLER IS NOT LIABLE FOR ANY LOSS OR DAMAGE RESULTING FROM ANY CAUSE WHATSOEVER RELATING TO THE SERVICES PROVIDED FOR HEREUNDER, EXCEPT THAT WHICH RESULTS FROM SELLER'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT. SELLER'S SOLE OBLIGATION WITH RESPECT TO SUCH LOSS OR DAMAGE IS LIMITED TO THE ECONOMIC VALUE OF THE SERVICE PERFORMED. THE FOREGOING WARRANTY OBLIGATION IS TERMINATED IN THE EVENT ANY OF THE SERVICE EXCLUSIONS DELINEATED ABOVE ARE PRESENT OR OTHERWISE APPLICABLE. CONSUMABLES, SPARE PARTS, ACCESSORIES, AND SERVICES ARE WARRANTED FOR NINETY (90) DAYS FROM THE DATE OF ORIGINAL SHIPMENT OR COMPLETION OF SERVICES. COMPONENTS AND CONSUMABLES MANUFACTURED BY THIRD PARTIES WILL BEAR THE WARRANTY OF THEIR MANUFACTURER. SELLER HAS NO OTHER RESPONSIBILITY OR LIABILITY WITH RESPECT TO THE SERVICES PROVIDED. THE FOREGOING LIMITED WARRANTY IS IN LIEU OF ALL OTHER WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING, WITHOUT LIMITATION, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

16. LIMITATION OF LIABILITY

SELLER IS NOT LIABLE FOR ANY (I) SPECIAL, INDIRECT, INCIDENTAL, CONSEQUENTIAL, ECONOMIC, PUNITIVE, OR ADMINISTRATIVE DAMAGES ARISING FROM OR RELATED TO THE SERVICE PROVIDED HEREIN, INCLUDING, WITHOUT LIMITATION, LOSS OF REVENUE OR PROFITS, FAILURE TO REALIZE SAVINGS OR OTHER BENEFITS, EVEN IF SELLER HAS BEEN

ADVISED OF THE POSSIBILITIES OF SUCH DAMAGES, (II) PERSONAL INJURY OR PROPERTY DAMAGE, UNLESS CAUSED BY SELLER'S NEGLIGENCE OR WILLFUL MISCONDUCT, (III) DAMAGES (REGARDLESS OF THEIR NATURE) CAUSED IN WHOLE BY THE PURCHASER'S NEGLIGENCE OR FAILURE TO FULFILL ITS OBLIGATIONS UNDER THIS AGREEMENT OR ANY ORDER, OR (IV) DAMAGES (REGARDLESS OF THEIR NATURE) FOR ANY DELAY OR FAILURE BY SELLER TO PERFORM ITS OBLIGATIONS UNDER THIS AGREEMENT OR ANY ORDER DUE TO ANY CAUSE BEYOND ITS REASONABLE CONTROL. SELLER'S LIABILITY FOR DAMAGES FOR ANY CAUSE WHATSOEVER (EXCLUSIVE OF PERSONAL INJURY OR PROPERTY DAMAGE CAUSED BY ITS GROSS NEGLIGENCE OR WILLFUL WRONGDOING) IS NO MORE THAN THE TOTAL PRICE PAID UNDER THE ORDER. THESE PROVISIONS SUPERSEDE ANY PROVISION OF THE TERMS AND CONDITIONS OF SALE THAT MAY BE INCONSISTENT.

17. ARBITRATION AND LAW

Disputes that arise under this Agreement or Buyer's Order that cannot be settled amicably by the Parties will be settled by arbitration in Mason, Ohio in the United States of America under the prevailing rules of the commercial conciliation and arbitration rules of the American Arbitration Association. Judgment upon the arbitration award or decision may be entered in any court of competent jurisdiction. Arbitration awards and decisions are subject to Article 18, Limitation of Liability. The laws of the State of Ohio, excluding its conflicts of laws provisions and excluding the United Nations Convention on the International Sale of Goods ("CISG"), govern the interpretation and enforcement of the Order and Buyer's Order.

18. ASSIGNMENT

Buyer may not assign or transfer the Order or any Order, in whole or in part, without the prior written approval of Seller.

19. ETHICS AND VALUES

Seller is committed to uncompromising ethical standards, strict adherence to law, and Buyer satisfaction. Buyer is encouraged to communicate any concerns or questions regarding the ethics and value to the Teledyne Corporate Ethics Help Line, "Take the Right Action", at 1-877-666-6968.

20. EXPORT COMPLIANCE; FOREIGN CORRUPT PRACTICES ACT

For any resale, export, or re-export of materials, products, technical data, or information, Buyer must comply with all applicable export regulations, export licensing requirements, and the United States Foreign Corrupt Practices Act (FCPA), 15 U.S.C. §§ 78dd1 through 78dd3, as amended.

21. UNENFORCEABLE PROVISIONS

In the event that one or more provisions of this Agreement document or any order is held to be unenforceable, the remaining provisions apply in full and the invalid or unenforceable provision will be replaced by a provision that lawfully enforces the Parties' intention underlying the invalid or unenforceable provision.

22. SURVIVAL

The following Article will survive the termination or expiration of this Agreement or any Order: 1: Definitions; 4: Credit Approval and Payment; 9: Schedules and Force Majeure, 10: Taxes; 11: Termination for Convenience; 12: Termination for Default; 15: Limited Warranty; 16: Limitation of Liability; 17: Arbitration and Law; 18: Assignment; 20: Export Compliance; Foreign Corrupt Practices Act, 21: Unenforceable Provisions; and 22: Survival.

23. WHOLE AGREEMENT; AMENDMENT

This document is the entire understanding between the Parties, and it supersedes all previous or additional agreements, arrangements, and drafts. This document may be amended or modified only by written agreement of duly authorized representatives of both Parties.

Warranty / Service Agreement Coverage Summary

CONTACT FACTORY AT (800) 874-2004 OR tekmarsupport@teledyne.com FOR DETAILS

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