

# DIVERSIFIED TECHNOLOGIES, INC.

## TERMS AND CONDITIONS

**1. QUOTATIONS:** Quotations submitted by Diversified Technologies, Inc. ("Seller") are good for acceptance only within 30 days from date of quotation unless otherwise specified. Prices quoted do not include any sales, use, excise, occupational or other similar tax. Delivery lead times contained within quotations shall commence upon receipt by Seller of all necessary engineering and manufacturing information including approved drawings if required by Buyer.

**2. ACCEPTANCE:** All purchase orders ("orders") are subject to approval and acceptance by Seller. Seller may at any time alter or suspend credit, refuse shipment, or cancel unfilled orders when, in Seller's opinion, the financial condition of Buyer or the status of Buyer's account warrants it, or when delivery is delayed by fault of Buyer or Buyer is delinquent in any payment or arrangement with Seller.

**3. CANCELLATION:** No order accepted by Seller may be canceled, terminated, suspended, changed, reduced, cutback or modified in any way by the Buyer without Seller's prior written consent. Cancelled or deferred orders require that the Buyer assume immediate liability for, and make prompt payment of: all expenses incurred and charges for commitments made by Seller; profits on work in process; and contract value of items completed and ready for shipment.

**4. INTELLECTUAL PROPERTY:** No rights or licenses to any patents, designs, copyrights, or other intellectual property is conveyed by the seller through sale of any product or services. Buyer agrees not to copy, reverse engineer, or otherwise utilize or transfer such information, whether embodied in the product or its documentation, other than for the intended operation of the product, unless expressly agreed in writing.

**5. DELIVERY:** Shipment schedules are approximate only and are as accurate as then current conditions permit. Seller assumes no responsibility or liability for failure or delay in making delivery or otherwise performing hereunder when such failure or delay is due to any cause beyond its control and without its fault or negligence. If for any reason Seller's supply of items ordered hereunder is caused to be limited, Seller shall have the right to prorate the supply in such manner as it in its discretion shall determine. All risk of loss or damage in transit shall be borne by Buyer after transfer of items to a common carrier. Title shall transfer at Buyer's location or upon possession by Buyer. If, because of Buyer's inability to take delivery, the materials or equipment are not shipped, Seller may have them stored for Buyer at

Buyer's expense, risk and account, and for all other purposes they shall be considered "shipped".

**6. PARTIAL DELIVERIES:** Seller may make partial deliveries which Buyer shall accept and pay for at the specified prices upon maturity of bills therefore. If any part of the order is not delivered by Seller or is not in accordance with the order, the remaining part of the order and Buyer's obligation hereunder shall not be affected.

**7. PACKAGING:** All items sold hereunder shall be packed or crated and shipped in accordance with Seller's best judgment. Any special packing, crating, or shipping instructions from Buyer must be noted on Buyer's original order and agreed to by Seller.

**8. INSPECTION:** Buyer shall inspect all items upon arrival and shall give written notice to Seller within ten (10) days of arrival of any claim for shortage or nonconformance with the terms and conditions of the order. If Buyer shall fail to give such notice, all items shall be deemed to be in conformance with the order, and the Buyer shall be bound to accept and pay for all items in accordance with the terms and conditions of the order.

**9. RETURNS:** No product may be returned without Seller's prior written approval. Transportation charges and insurance are to be paid by Buyer. Returned goods are subject to the Seller's inspection and acceptance. Seller may, at its discretion, replace any or all returned items within a reasonable time after Seller determines that the returned goods are not in accordance with order specifications, and in such event Seller shall not be liable for any damages arising from the defective delivery or delay caused thereby. When expressly authorized by Seller in writing, unused products may be returned to Seller, subject to service, handling, restocking, and rebuilding charges to restore the item to "as new" condition.

**10. REPAIRS AND ALTERATIONS:** Seller will provide or arrange for repair of products only at the request of the Buyer, and at Seller's standard billing rates. Any repairs and/or alterations made to products shipped by Seller shall be at Buyer's expense, and, during the warranty period, completed only by Seller's representatives. In no event shall Seller accept back charges for unauthorized repairs and alterations.

**11. WARRANTY AND INDEMNITY:** Seller warrants that the products delivered will be free of defects in workmanship for a period of ninety (90) days from date of installation by Seller's representatives. Installation and/or repair or alteration by

Buyer's representatives shall void the product warranty.

**12. SERVICE:** Upon reasonable notice and within the limits of the exercise of reasonable diligence, Seller will make available to Buyer at the job site the services of a trained engineer at daily standard time rates. Buyer will be billed for site time, travel time, and expenses at Seller's standard rates.

**13. TERMS:** Terms are Net cash, with 50% of order value due at time of order acceptance, 50% due at delivery. F.O.B. Seller's plant unless otherwise expressly agreed to in writing by Seller.

**14. TAXES:** Buyer shall pay all sales, use, excise, occupational or other similar taxes that may be levied, assessed or otherwise become due on account of items to be delivered hereunder. Contract prices are subject to change due to changes in Federal, state, or local laws taxing raw or processed materials or in laws governing the working hours or compensation of labor.

### 15. GENERAL:

- a. No items to be furnished hereunder shall be exported by Buyer or by any customer of Buyer unless Seller is first notified in writing of the intention to so export. The buyer must provide documentation showing that all applicable regulations and licenses are complied with and obtained by Buyer or its customer.
- b. Seller expressly disclaims application of any Government procurement regulations in connection with any items to be furnished hereunder unless expressly agreed to in writing by the Seller.
- c. Seller is not responsible for typographical errors made in any of its publications or for stenographic or clerical errors made in preparation of quotations, sales orders, or acknowledgments. All such errors are subject to correction.
- d. This agreement shall be governed by the laws of the Commonwealth of Massachusetts.
- e. Seller's "Terms and Conditions" as set forth above shall govern this transaction and any inconsistent terms of Buyer wherever set forth and whether oral or written, shall not be binding upon Seller unless agreed to by Seller in writing. No waiver or exception to any of the herein above enumerated conditions or any of the special terms and provisions relating to this order shall be binding upon Seller unless agreed to in writing by Seller.

  
**DIVERSIFIED TECHNOLOGIES, INC.**  
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