

**Raymond & Lae Engineering, Inc. DBA RLE Technologies**  
**GENERAL TERMS AND CONDITIONS OF SALE**

- 1. General.**

The terms and conditions contained herein constitute the entire agreement (the "Agreement") between Raymond & Lae Engineering, Inc. (hereinafter "Seller") and purchaser (hereinafter "Purchaser") with respect to the order and supersede all prior communications and agreements regarding the purchase of goods from Seller (hereinafter "Products"). Acceptance by Seller of a purchase order from Purchaser is expressly limited to and conditioned upon Purchaser's acceptance of these terms and conditions. These terms and conditions may not be changed or superseded by any different or additional terms and conditions proposed by Purchaser without the Seller's written consent. Unless the context otherwise requires, the term "Products" as used herein means all of the Products, parts, accessories sold to Purchaser by Seller under a purchase order. As used herein, the term "Purchaser" shall mean the initial end user of the Products.
- 2. Orders.**

All orders must be made via the Purchaser by way of written Purchase Order ("Order") - mailed, faxed, e-mailed, or sent via secure online quote builder to Seller. All Orders will be acknowledged by Seller within 24 hours of receipt. If the Purchaser does not receive confirmation of an Order, the Order was not received by the Seller. No terms or conditions set forth in said Order shall be binding upon the Seller or supersede the terms set forth herewithin. The Seller shall not provide any services, fabricate or assemble any supplies, procure required materials, nor ship any products, except to the extent specifically authorized by the Purchaser's Order. The Purchaser shall be obligated only to purchase supplies and those products and materials fabricated or acquired by the Seller in reliance on an Order that established a firm or fixed quantity. Forecasts and planning advisories may not be relied upon by the Seller to acquire necessary materials. The Purchaser warrants that the price in an Order shall be complete and accurate and as the Seller has stipulated. All Orders for custom products require a 50% deposit before manufacturing begins.
- 3. Prices.**
  - a) Unless otherwise specified in writing, all Acceptances expire thirty (30) days from the date thereof.
  - b) The price does not include any federal, state or local property, license, privilege, sales, use, excise, gross receipts, or other like taxes which may now or hereafter be applicable. Purchaser agrees to pay or reimburse any such taxes which Seller or its suppliers are required to pay or collect. If Purchaser is exempt from the payment of any tax or holds a direct payment permit, Purchaser shall, upon order placement, provide Seller a copy, acceptable to the relevant governmental authorities of any such certificate or permit.
  - c) The price includes customs duties and other fees, at the rates in effect on the date of Seller's acceptance of a purchase order (hereinafter "Acceptance"). Any change after that date in such duties, fees, or rates, shall increase the price by Seller's additional cost.
- 4. Payment.**
  - a) Seller shall submit invoices to the Purchaser within 10 days of shipping goods which include the date, Purchaser's Order number, shipping charges, delivery address and quantity of delivery.
  - b) Unless otherwise specified to the contrary in writing by Seller elsewhere in this Acceptance, payment terms are net cash, payable without offset, in US Dollars, 30 days from date of invoice by wire transfer to the account designated by Seller in the Acceptance.
  - c) The Purchaser is responsible for the payment of all applicable taxes and shipping charges, measured by or imposed upon or with respect to the transaction, the property, its value or service performed in connection therewithin. Purchaser is required to provide Seller with their Certificate of Sales / Use Tax Exemption for Resale.
  - d) Payment terms are subject to credit approval by the Seller. A credit application and two trade and bankers references must be submitted and approved by the Seller before a normal trading account can be established.
  - e) Seller shall have the continuing right to approve Purchaser's credit on a net 30-day basis from the date of shipment and/or in advance of shipment, and may, at any time, demand advance payment in full, or satisfactory security, such as, but not limited to, a confirmed, irrevocable letter of credit, in a form that is acceptable to Seller, prior to shipment. Alternatively, Seller may terminate the order if, in Seller's sole opinion, Purchaser is not creditworthy, whereupon Seller shall be entitled to receive reasonable cancellation charges paid by Purchaser. If delivery is delayed by Purchaser, payment shall be due on the date Seller is prepared to make delivery. Delays in delivery or nonconformities in any installments delivered shall not relieve Purchaser of its obligation to accept and pay for remaining installments.
  - f) International purchases require pre-payment.
  - g) Unless otherwise specified to the contrary in writing by Seller elsewhere in this Acceptance, payment terms are net cash, payable without offset, in US Dollars, 30 days from date of invoice by wire transfer to the account designated by Seller in the Acceptance. Finance charges will be incurred at a rate of 1.75% per month on any amount past due. Any account thirty (30) to sixty (60) days past due will be placed on credit hold until the account is made current. New Orders submitted must be pre-paid prior to shipping. Any account sixty (60) to ninety (90) days past due will be placed on a cash-only basis indefinitely and evaluated for cancellation. Seller will not release equipment for shipping until the entire balance owed is paid in full. Any account over ninety (90) days past due will be turned over to collections and immediately cancelled. In the event the Seller must initiate collection proceedings, the Purchaser shall be responsible for the Seller's cost of collection including attorneys' fees and court costs incurred in connection with collection.
- 5. Changes.**
  - a) Any changes requested by Purchaser affecting the ordered scope of work must be accepted by Seller and resulting adjustments to affected provisions, including price, schedule, and guarantees mutually agreed in writing prior to implementation of the change.
  - b) Seller may, at its expense, make such changes in the Products as it deems necessary, in its sole discretion, to conform the Products to the applicable specifications. If Purchaser objects to any such changes, Seller shall be relieved of its obligation to conform to the applicable specifications to the extent that conformance may be affected by such objection.
- 6. Delivery.**
  - a) All Products manufactured, assembled or warehoused in the continental United States are delivered F.O.B. point of shipment. Purchaser shall be responsible for any and all demurrage or detention charges.
  - b) Seller will use commercially available services to deliver products. Since the Purchaser takes ownership once the products are released to the commercial shipping carrier, the products are considered the Purchaser's property. Therefore, the Purchaser must indicate in writing whether to insure the shipped products.
  - c) If the scheduled delivery of Products is delayed by Purchaser or by Force Majeure, Seller may move the Products to storage for the account of and at the risk of Purchaser whereupon it shall be deemed to be delivered.
  - d) Shipping and delivery dates are contingent upon Purchaser's timely approvals and delivery by Purchaser of any documentation required for Seller's performance hereunder.
  - e) Delivery dates given by the Seller are approximate only and no liability can be accepted for any loss, injury, damage, or expenses incurred consequent upon any delay in delivery from any cause whatsoever, nor shall any such delay entitle the Purchaser to cancel any Order or to refuse to accept delivery.
  - f) The extent of packing and/or protection will be at the Seller's discretion unless the Purchaser stipulates special packaging, in which case an extra charge will be made.
- g) Claims for shortages or other errors in delivery must be made in writing to Seller within ten days of delivery. Products may not be returned except with the prior written consent of and subject to terms specified by Seller. Claims for damage after delivery shall be made directly by Purchaser with the common carrier.
  - h) No claim for shortages of goods supplied can be entertained unless the Seller is notified within seven (7) days from receipt of goods. In addition, any claim for non-delivery by carriers must be made in writing within such time as will enable the Seller to comply with the time limit laid down by the carriers.
- 7. Overshipments & Returns.**
  - a) Equipment must not be returned without first obtaining written permission and shipping instructions from the Seller.
  - b) The Purchaser may return overshipments to the Seller at the Seller's expense for all packing, handling, sorting and transportation charges when it is determined the overshipment is the result of the Seller.
  - c) All returns are subject to a 20% restocking or order cancellation fee and must be accompanied by a Return Merchandise Authorization (RMA). Items returned must be in their original packaging and never installed or opened. All associated parts, documentation, software, etc., originally shipped with the equipment must also be returned. If the preceding conditions are not met, Seller may impose up to a 50% restocking fee.
  - d) For returns over 60 days from ship date, Seller may elect to decline return authorization or charge up to a 50% restocking fee.
  - e) Orders for custom products, custom electronics or custom cable cannot be returned or cancelled after the merchandise has been manufactured.
- 8. Title & Risk of Loss.**

Title to Products shall remain in Seller until fully paid for by Purchaser. Notwithstanding any agreement with respect to delivery terms or payment of transportation charges, risk of loss or damage shall pass to Purchaser FOB point of shipment.
- 9. Inspection, Testing and Acceptance.**
  - a) Any inspection by Purchaser of Products on Seller's premises shall be scheduled in advance to be performed during normal working hours.
  - b) If the order provides for factory acceptance testing, Seller shall notify Purchaser when Seller will conduct such testing prior to shipment. Unless Purchaser states specific objections in writing within ten (10) days after completion of factory acceptance testing, completion of the acceptance test constitutes Purchaser's factory acceptance of the Products and its authorization for shipment. If the order provides for site acceptance testing, testing will be performed by Seller personnel to verify that the Products has arrived at site complete, without physical damage, and in good operating condition. Completion of site acceptance testing constitutes full and final acceptance of the Products. If, through no fault of Seller, acceptance testing is not completed within thirty (30) days after arrival of the Products at the site, the site acceptance test shall be deemed completed and the Products shall be deemed accepted.
- 10. Limited Warranty and Remedies.**
  - a) Products Limited Warranty. Seller warrants that the Products are warranted against defects in material and workmanship in the country to which Seller ships the Products. The Warranty Remedy Period for Products (excluding Refurbished or Repaired Parts) shall end twelve (12) months after date of shipment, The Warranty Remedy Period for refurbished or repaired parts shall end thirty (30) days after date of shipment.
  - b) Products Remedy. If the Products have a defect in material or workmanship during the applicable Warranty Remedy Period, as specified above, under normal and proper use and provided the Products has been properly stored, installed, operated and maintained and written notice of such nonconformity is provided to Seller promptly after such discovery and within the applicable Warranty Remedy Period, Seller shall, at its option, either (i) repair or replace the nonconforming portion of the Products or (ii) refund the portion of the price applicable to the nonconforming portion of Products. If any portion of the Products so repaired or replaced still has a defect in material or workmanship, and written notice of such is provided to Seller promptly after discovery and within the original Warranty Remedy Period applicable to such Products, or 30 days from completion of such repair or replacement, whichever is later, Seller will provide the same warranty as stated above for the original Products. The original Warranty Remedy Period shall not otherwise be extended.
  - c) Exceptions. Seller shall not be responsible for providing working access to the Products during warranty repairs, and shall not be responsible for disassembly and re assembly of non-Seller supplied Products, or for providing transportation to or from any repair facility, all of which shall be at Purchaser's risk and expense. Seller shall have no obligation hereunder with respect to any Products which (i) has been improperly repaired or altered; (ii) has been subjected to misuse, negligence or accident; (iii) has been used in a manner contrary to Seller's instructions; (iv) is comprised of materials provided by or a design specified by Purchaser; or (v) has failed as a result of ordinary wear and tear. Products supplied by Seller but manufactured by others is warranted only to the extent of the manufacturer's warranty, and only the remedies, if any, provided by the manufacturer will be allowed.
  - d) EXCEPT FOR THE EXPRESS WARRANTIES REFERENCED HEREIN, SELLER DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, ON PRODUCTS FURNISHED HEREUNDER, INCLUDING, WITHOUT LIMITATION, ALL IMPLIED WARRANTIES OF TITLE, MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. THE STATED WARRANTIES APPLY ONLY TO THE ORIGINAL PURCHASER AND ARE CONTINGENT UPON PROPER TREATMENT AND USE OF THE PRODUCT AND MAINTENANCE OF A SAFE AND SUITABLE SITE.
- 11. Intellectual Property Limited Warranty.**
  - a) Seller represents that it does not have any knowledge that the Products infringe or constitute a misappropriation of any U.S. patent, copyright, trademark or trade secret of a third party. If the use of the Products becomes enjoined, as a result of a U.S. patent, trademark, trade secret or copyright infringement action, Seller shall, at its expense and option: i) procure for Purchaser, at no cost to Purchaser, the right to continue to use the Products or Service; (ii) replace or modify the Products or Service, at no cost to Purchaser, to make such non-infringing, provided that the same function is performed by the replacement or modified Products or Service; or (iii) if the right to continue to use cannot reasonably be procured or the Products or Service cannot be reasonably replaced or modified, terminate the right to use such Products or Service and grant the Purchaser credit for the depreciated value of the Products or Service on a straight line five year basis, upon return of the Products to Seller. THIS ARTICLE STATES THE ENTIRE LIABILITY OF SELLER WITH RESPECT TO INFRINGEMENT OR MISAPPROPRIATION OF PATENTS, TRADEMARKS, COPYRIGHTS OR TRADE SECRETS BY THE PRODUCTS OR ANY PART THEREOF AND SELLER SHALL HAVE NO ADDITIONAL LIABILITY WITH RESPECT TO ANY ALLEGED OR PROVEN INFRINGEMENT OR MISAPPROPRIATION.
  - b) Seller shall have no obligation hereunder and this provision shall not apply to: (i) any Products or processes, including Products or Processes which have been modified or combined with other Products or process not supplied by Seller; (ii) any Products or Process supplied according to a design or specification provided by Purchaser; (iii) any products manufactured by the Products or Process; (iv) any patent issued after the date hereof; or (v) any action settled or otherwise terminated without written consent of Seller.

- c) To the extent that said Products or any part thereof is modified by Purchaser, or combined by Purchaser with Products or processes not furnished hereunder, or said Products or any part thereof is used by Purchaser to perform a process that is not specified as an intended use of the Products by Seller, or to produce an article, and by reason of said modification, combination, performance or production, an action is brought against Seller, Purchaser shall defend and indemnify Seller.
- 12. Limitation of Liability.**
- a) In no event shall Seller, or its suppliers, be liable for any direct, special, indirect, incidental or consequential damages, whether in contract, warranty, tort, negligence, strict liability or otherwise, including, but not limited to, loss of profits or revenue, loss of use of the Products or any associated Products, cost of capital, cost of substitute Products, facilities or services, downtime costs, delays, and claims of customers of the Purchaser or other third parties for any damages or personal injury. Some states restrict the limits of liability for personal injury. As such, this limit of liability for personal injury may not apply to certain purchasers. Seller's liability for any claim whether in contract, warranty, tort, negligence, strict liability, or otherwise for any loss or damage arising out of, connected with, or resulting from this Agreement or the performance or breach thereof, or from the design, manufacture, sale, delivery, resale, repair, replacement, installation, technical direction of installation, inspection, operation or use of any Products covered by or furnished under this Agreement, or from any services rendered in connection therewith, shall in no case exceed one-half (1/2) of the purchase price allocable to the Products or part thereof which gives rise to the claim.
- b) All causes of action against Seller arising out of or relating to this Agreement or the performance or breach hereof shall expire unless brought within one year of the time of accrual thereof.
- c) In no event, regardless of cause, shall Seller be liable for penalties or penalty clauses of any type or for indemnification of Purchaser or others for any action arising under this Agreement.
- 13. Laws and Regulations.**
- Purchaser represents and warrants that it will comply with all laws and regulations relating to the operation or use of the Products. Seller does not assume any responsibility for compliance with federal, state or local laws and regulations, except as expressly set forth herein, and compliance with any laws. If Purchaser desires a modification of the Products, as a result of any law or regulation, it shall be treated as a change per Article 4. Nothing contained herein shall be construed as imposing responsibility or liability upon Seller for obtaining any permits, licenses or approvals from any agency required in connection with the supply, erection or operation of the Products. This Agreement shall be governed by the laws of the State of Colorado. Purchaser agrees that all causes of action under this Agreement shall be brought in the State Courts of the State of Colorado, or the U.S. District Court for Colorado. If any provision hereof, partly or completely, shall be held invalid or unenforceable, such invalidity or unenforceability shall not affect any other provision or portion hereof and these terms shall be construed as if such invalid or unenforceable provision or portion thereof had never existed.
- 14. OSHA.**
- Seller warrants that the Products will comply with the relevant standards of the Occupational Safety and Health Act of 1970 ("OSHA") and the regulations promulgated thereunder as of the date of the Acceptance. Upon prompt written notice from the Purchaser of a breach of this warranty, Seller will replace the affected part or modify it so that it conforms to such standard or regulation. Seller's obligation shall be limited to such replacement or modification and it is agreed that Seller will not be liable under any other cause of action, including personal injury or property damage. In no event shall Seller be responsible for liability arising out of the violation of any OSHA standards relating to or caused by Purchaser's design, location, operation, or maintenance of the Products, its use in association with other Products of Purchaser, or the alteration of the Products by any party other than Seller.
- 15. Inventions and Information.**
- Unless otherwise agreed in writing by Seller and Purchaser, all right, title and interest in any inventions, developments, improvements or modifications of or for Products shall remain with Seller, except for the limited license to use the Products for their intended purpose. Any design, manufacturing drawings or other information submitted to the Purchaser remains the exclusive property of Seller. Purchaser shall not, without Seller's prior written consent, copy or disclose such information to a third party. Such information shall be used solely for the operation or maintenance of the Products and not for any other purpose, including the duplication thereof in whole or in part.
- 16. Force Majeure.**
- Seller shall neither be liable for loss, damage, detention or delay nor be deemed to be in default for failure to perform when prevented from doing so by causes beyond its reasonable control including but not limited to acts of war (declared or undeclared), Acts of God, fire, strike, labor difficulties, acts or omissions of any governmental authority or of Purchaser, compliance with government regulations, insurrection or riot, embargo, delays or shortages in transportation or inability to obtain necessary labor, materials, or manufacturing facilities from usual sources or from defects or delays in the performance of its suppliers or subcontractors due to any of the foregoing enumerated causes. In the event of delay due to any such cause, the date of delivery will be extended by period equal to the delay plus a reasonable time to resume production, and the price will be adjusted to compensate Seller for such delay.
- 17. Cancellation.**
- Any order may be cancelled by Purchaser only upon prior written notice and payment of termination charges, including but not limited to, all costs identified to the order incurred prior to the effective date of notice of termination and all expenses incurred by Seller attributable to the termination, plus a fixed sum of ten (10) percent of the final total price to compensate for disruption in scheduling, planned production and other indirect costs.
- 18. Termination.**
- No termination by Purchaser for default shall be effective unless, within thirty (30) days after receipt by Seller of Purchaser's written notice specifying such default, Seller shall have failed to initiate and pursue with due diligence correction of such specified default.
- 19. Export Control.**
- a) This acceptance is contingent upon successful completion by Purchaser of all applicable export requirements. Regardless of any disclosure by Purchaser to Seller, of the ultimate destination of the Products, Purchaser will not export directly or indirectly any Products without first obtaining written authorization from Seller and obtaining an export license from the Department of Commerce or other agency of the United States Government as required. Purchaser warrants that it will not use or knowingly permit any of its direct or indirect customers to use any Products in any activity related to the proliferation of chemical or biological weapons, nuclear explosive devices or missiles, or any activity prohibited by the export administration regulations administered by the U.S. Department of Commerce and the International Traffic and Arms Regulations administered by the U.S. Department of State. Further, Purchaser agrees that the Products will not be used in nuclear power plants or in any facilities that utilize or handle nuclear materials.
- b) Purchaser shall furnish documentation relating to an export license to Seller within a reasonable time after order acceptance. Any delay in obtaining such license shall suspend performance of this Agreement. If an export license is not granted or, if once granted, is thereafter revoked or modified by the appropriate authorities, this Agreement may be canceled by Seller without liability for damages of any kind resulting from such cancellation. At Seller's request, Purchaser shall provide to Seller a Letter of Assurance and End-User Statement in a form reasonably satisfactory to Seller.
- 20. Assignment.**
- Any assignment of this Agreement or of any rights or obligations under the Agreement by Purchaser without prior written consent of Seller, shall be void.
- 21. Nuclear Insurance – Indemnity.**
- For applications in nuclear projects, the Purchaser, and/or its end user customer, shall have complete insurance protection against liability and property damage resulting from a nuclear incident and shall indemnify Seller, its subcontractors, suppliers and vendors against all claims resulting from a nuclear incident.
- 22. Resale.**
- If Purchaser desires to resell any of the Products, the sale terms shall be approved in writing by Seller and must limit Seller's liability to the same extent that Seller's liability to Purchaser is limited hereunder.
- 23. Entire Agreement.**
- This Agreement constitutes the entire agreement between Seller and Purchaser. There are no agreements, understandings, restrictions, warranties, or representations between Seller and Purchaser other than those set forth herein or herein provided.