

## SL-MTI TERMS AND CONDITIONS

1. **TERMS** - Unless reconcilable, the terms and conditions contained herein shall supersede all others unless they are expressly agreed to otherwise in writing by Seller. Use of the Products supplied hereunder by Buyer shall, in any event, constitute implied acceptance of these terms. Seller's failure to insist upon strict performance of the terms and conditions herein shall not constitute waiver of any subsequent breach or default in the terms and conditions herein contained.
2. **FIRM PRICES** - Prices and deliveries quoted remain for a period of not more than 60 days from date of quotation, unless otherwise stated. Prices quoted do not include spare parts unless otherwise agreed upon in writing.
3. **QUOTATION ACCEPTANCE** - Unless otherwise expressed, quotation shall be considered as accepted and a firm contract established upon receipt of a signed purchase order from Buyer by Seller if said purchase order is in accordance with the basic information contained in the quote.
4. **BUYER APPROVALS** - Whenever Seller's quoted delivery is dependent upon an approval by Buyer, a period of not more than five working days shall be allowed for such approval. Any additional time required by Buyer shall warrant adjustment of Seller's delivery commitments. Likewise, if Seller's quoted delivery is dependent upon Buyer furnishing information or material, any delay shall warrant adjustment of Seller's delivery commitment.
5. **CHANGES/CANCELLATION** - If Buyer desired to make a change in the specification and/or drawings prior to acceptance of the Products and such change causes an increase or decrease in the cost of, or the time required for the performance of, this order, an equitable adjustment shall be made in the price and/or delivery schedule. No order by Buyer may be canceled, nor may delivery be suspended except upon such terms as will indemnify Seller against losses occasioned thereby.
6. **PAYMENT** - Payment without discount for customer accepted units is to be made within 30 days after shipment unless otherwise specified. Failure to pay the full purchase price when due shall give Seller the right to possession and removal of the Products ten days after receipt by Buyer of written notice from Seller. Invoices issued by Seller for whole or partial shipments of Products shall be paid by Buyer regardless of disputes relating to other invoices, and Buyer waives the right to assert offsets or counter claims with respect to such invoices. Upon full payment, title shall pass.
7. **CREDIT TERMS** - Seller reserves the right to alter or revoke credit terms to Buyer at any time and withhold shipment of Products to Buyer or ship on a C.O.D. basis. In addition, Buyer hereby represents to Seller that it is not insolvent and acceptance of the Products shall constitute a reaffirmation of Buyer's solvency at the time of delivery.
8. **INSPECTION** - Buyer shall be allowed reasonable inspection of the Products prior to shipment if Seller is given adequate notice of Buyer's intention to inspect.
9. **PRODUCT ACCEPTANCE** - Buyer's acceptance of the Products supplied by Seller (subject to acceptance by the buyer's receiving inspection dept.), unless otherwise provided and agreed upon, shall be at the time and place of shipment (FOB shipping point). Buyer's acceptance of Product furnished hereunder by Seller shall constitute full and complete acceptance. Seller shall not be bound by other acceptances or non-acceptances including that of Buyer's customer or other contractors. Seller's warranty shall, however, accrue to the benefit of Buyer's customer or other contractors to the same extent that it shall accrue to the benefit of Buyer, but this benefit shall not create any right of action in Buyer's customer or other contractors against Seller.
10. **SHIPMENTS** - Unless otherwise stated, all shipments shall be FOB - Shipping Point. All claims for breakage, damage or loss shall be made to the carrier. Seller shall not be liable for any delay or nondelivery of any of the Products caused in whole or part by any contingency or event beyond Seller's reasonable control. Buyer's rejection of any Products shall not shift any risk for those Products until they are returned to Seller pursuant to Seller's instructions.
11. **WARRANTIES AND LIABILITIES** - Seller warrants that all Products quoted will function in a manner to accomplish the contractual objectives as described in the quote and that the material and work shall conform in quality with industry recognized standards. Independently functional Product which Seller has purchased entotal carries only the warranty of the supplier thereof unless said Product is manufactured pursuant to Seller's design. Seller's warranty will, however, apply to the workmanship incorporated in the installation of such items in the complete system. Purchased Product, which is specified by Buyer, shall carry only the warranty of the supplier thereof. Seller's component warranty shall extend for a period of one (1) year from date of delivery, and said warranty liability thereof shall be limited to the exchange (or repair) at seller's normal place of business of the components which prove defective under normal use and service. In no event will Seller's liability with respect to the particular Products involved, exceed the purchase price thereof, nor shall such liability include any incidental or consequential damages. Any parts defaced or in any way made defective by Buyer will be exchanged (or repaired) at Buyer's expense. Seller shall not be liable for any damages caused by delay in delivery. Seller does not warrant expendable components or Product failures which are not attributable to Seller's Products but attributable to the characteristics of the Product's environment or the characteristics of other associated systems, which were not foreseen in the design of Seller's Products.
12. **LIABILITIES** - Buyer agrees to hold Seller harmless from all claims by the third persons based upon personal injury, property damage or rights infringement arising out of the Products supplied hereunder, provided such damages are not principally caused by Seller's negligence.
13. **GENERAL PROVISIONS** - a) No addition or modification of any provision of this document shall be binding upon Seller unless set forth in written document signed by Seller, b) Buyer may not assign its rights and obligations under this agreement to any third party, by operation of law or otherwise, without seller's prior written consent, c) The validity, performance and construction of this Contract shall be governed by the laws of the State of Minnesota, and d) If any provision hereof is held to be unenforceable by final order of any court of competent jurisdiction, such provision shall be severed from this agreement and shall not affect the interpretation or enforceability of the remaining provisions hereof.