



SALES TERMS AND CONDITIONS

PRICES: All prices are exclusive of federal, state or other excise or use taxes, which will be separately shown on invoices. Quoted prices apply for 30 days. Prices are EX WORKS, Xandex, Inc. Petaluma, CA (INCOTERMS 2010) USA. Specification changes by Buyer may affect prices. Expediting fees may be charged, at Seller's discretion, if Buyer requires shipment on an urgent basis in less than Seller's standard delivery lead time.

TERMS: Payment shall be made by Buyer within thirty (30) days of invoice date unless other credit arrangements are made by Buyer with Seller. If payment is not made in accordance with the terms thereof, or if at any time, in Seller's judgment, Buyer's credit standing has been impaired, Seller may withhold delivery of any material to be sold until in the case of future deliveries satisfactory cash or credit arrangements have been made and, in the case of goods already delivered, satisfactory security arrangements have been made for payment of all outstanding balances. If Buyer fails, neglects, or refuses to make cash or credit arrangements satisfactory to Seller, or to comply with the terms thereof, then Seller may, without waiving any other remedies as it may have against Buyer, terminate the contract without further liability on Seller's part.

TITLE AND RISK OF LOSS: Delivery to a public carrier, consigned as Buyer directs, shall constitute transfer of the shipment's title, ownership, possession, and property to Buyer at point of such delivery. Carrier will thereafter be deemed as acting for Buyer and the shipment will be at Buyer's risk.

RETURNS: Promptly upon receipt of all material delivered hereunder, Buyer shall inspect such material for any damage, defect or errors in shipment. All claims for: a) damage and error in shipment must be reported within ten (10) working days after receipt, b) defects must be reported within the specific warranty period. All returns must be authorized in advance by Seller. Materials must be returned in original package. Buyer shall pay 35% restocking charge plus transportation charges for return if the Buyer has placed an order by mistake. Seller shall pay transportation expenses otherwise.

CHANGE ORDERS: A change order is defined as a temporary hold, cancellation, item change, quantity change, or a rescheduled shipment. Any cartridge order which is changed within ten (10) working days of its scheduled shipment date is subject to a 35% handling charge (unless customer agrees to reduced shelf life, when applicable). A change order for all other items may be subject to handling charges up to 35% of the order amount. All change orders are subject to any effects said change has on original ship date or pricing.

ESTIMATED SHIPPING SCHEDULES: Shipping schedules are calculated from date of credit approval of order, and receipt details, information, and samples needed to process and manufacture Buyer's entire order.

FORCE MAJEURE: Deliveries may be reduced or suspended by either party in the event of Act of God, war, riot, fire, explosion, accident, flood, sabotage, lack of adequate fuel, power, raw materials, labor, containers or transportation facilities, compliance with government requests, laws, regulations, orders or action, breakage or failure of machinery or apparatus, national defense requirements or any other event beyond the reasonable control of such party. In the event of labor trouble, strike, lockout or injunction (provided that neither party shall be required to settle a labor dispute against its own best judgment); which event makes impracticable the manufacture, transportation, acceptance or use of a shipment of the material or intermediate upon which the manufacture of the material is dependent. If, because of any such event, it is impracticable for Seller to supply the total demand for the material, Seller may allocate its available supply of material, without obligation to purchase similar material from other sources, among itself and its customers on such basis as it determines to be equitable. Deliveries suspended under this section shall be cancelled without liability, but the contract shall otherwise remain unaffected. In the event that deliveries hereunder have been suspended due to force majeure for any consecutive three (3) month period, either party may cancel this contract upon thirty (30) day written notice.

GENERAL WARRANTIES: Xandex warrants that all materials supplied will conform to stated description and all products will be free of defects in materials and workmanship when used under normal circumstances during the product's specified warranty period. For product specific warranty periods and information, contact Xandex Customer Service. Xandex makes no warranty for performance, service or support of any products unless they are purchased directly from Xandex or through an authorized Xandex Distributor. Xandex makes no other warranty, expressed or implied, including without any limitation any warranty of merchantability of fitness for a particular purpose. Customer, OEM or Distributor's exclusive warranty shall be, at Xandex's option, to have defective product repaired or replaced, or to receive a refund of purchase price. Xandex may, upon request, furnish to Buyer such technical advice as it may be able to supply with reference to the use by Buyer of any materials delivered. Xandex assumes no liability for the advice given or results obtained. Buyer expressly agrees to indemnify and hold Xandex harmless against any liabilities, cost or expense resulting there from.

EXCLUSIONS: This warranty shall not apply to defects or damage resulting from;

- Improper or inadequate maintenance by customer, including failure to perform preventive maintenance per manufacturer's specified schedule
- Misuse or unauthorized modification
- Operation outside the environmental specifications for the product
- Improper site preparation and maintenance

Some states and provinces do not allow limitations on how long an implied warranty lasts, so the limitation or exclusion contained in this warranty may not apply to you. However, any implied warranty of merchantability or fitness is limited to the duration period of this written warranty.

EXPORT CONTROL LAWS AND REGULATIONS: The Company shall comply with all applicable export control laws and regulations including, without limitation, the U.S. Export Administration Regulations ("EAR") and the International Traffic in Arms Regulations ("ITAR"). Specifically, and without limitation, the Company agrees not, without the appropriate and applicable U.S. government authorization, to utilize, transfer, deploy or otherwise incorporate Xandex goods, software or technology in connection with the design, development, production, testing, operation, maintenance or use of missile/rocket systems or unmanned air vehicles or in connection with any chemical/biological proliferation activity; export or re-export Xandex goods, software or technology to a U.S. designated terrorist supporting or embargoed country listed in Country Groups E:1 and E:2 of the EAR or to nationals or residents of such countries; or export, re-export or otherwise provide Xandex goods, software or technology to any person or entity identified on the U.S. Department of Commerce's Denied Persons or Entity List, the U.S. Department of Treasury's Specially Designated Nationals or Blocked Persons List, or the Department of State's Debarred Parties List. With respect to Xandex technology or software (including source code) controlled under the EAR for national security purposes, Company agrees that it will not, without the appropriate U.S. government authorization re-export or release such technology or software to a national of a country in listed in Country Group D:1 or E:2; export the direct product of such technology or software to Country Groups D:1 or E:2, if such direct product is subject to national security controls as identified in the EAR; or if the direct product of such technology is a complete plant or any major component of a plant, export to Country Groups D:1 or E:2 the direct product of the plant or major component thereof, if such foreign produced direct product is subject to national security controls as identified in the EAR, or is subject to controls under the ITAR. The provisions of this Section shall survive the termination or expiration of this Agreement.

ENTIRE AGREEMENT, MODIFICATION, GOVERNING LAW: These conditions of sale and any other written contract, executed by both the Buyer and Seller under which this sale is made constitutes the full understanding of the parties and a complete and exclusive statement of the terms of the agreement. No modification or waiver of any such terms and conditions shall be of any force or effect unless made in writing and signed by the party claimed to be bound thereby nor shall any modification of the same be affected by the acknowledgement or acceptance of purchase orders or shipping instruction forms or any other document containing terms or conditions at variance with or in addition to those set forth herein or in any such contract all such varying or additional terms being hereby objected to. **BY ORDERING FOR SHIPMENT OR ACCEPTING ANY MATERIAL BUYER AGREES TO ALL THE TERMS AND CONDITIONS CONTAINED HEREIN AND IN ANY SUCH CONTRACT. THIS CONTRACT SHALL BE GOVERNED BY THE LAW OF THE STATE OF CALIFORNIA, USA. XANDEX TERMS AND CONDITIONS APPLY TO ALL STANDARD PRODUCTS UNLESS OTHERWISE NEGOTIATED.**