

45 Whiteford Road Rochester, New York 14620 585-672-5987 FAX 585-298-9529 TurbineAlignment.com

STANDARD TERMS AND CONDITIONS

- 1. Quotation. These terms and conditions and the attached letter (collectively the "Quotation") constitute an offer made by EDS Measurement Systems, Inc. ("EDS") to the customer listed in the attached letter (the "Buyer"), covering the tools, parts and/or services specified (collectively the "Tools"), upon the terms and conditions and at the price stated herein. This Quotation shall be valid until the date set forth in the Quotation. This Quotation supersedes all previous quotations and agreements relating to this transaction. A contract will be formed (the "Agreement") in accordance with the terms of this Quotation upon the execution of the attached letter by the Buyer.
- 2. <u>Modification of Terms and Conditions</u>. No terms and conditions other than those stated in the Quotation, and no agreement or understanding, in any way purporting to modify these terms and conditions, shall be binding on EDS without EDS' written consent.
- 3. Prices, Payment. Unless otherwise stated in this Quotation, all invoices for Tools shipped by EDS to the United States are due and payable within thirty (30) days from date of shipment and all invoices for Tools shipped by EDS to outside of the United States shall be issued and paid prior to shipment by EDS of the Tool to the Buyer. All prices are stated in U.S. Dollars. The stated prices do not include shipping costs, insurance costs, customs, duties or taxes such as sales, use, excise, retailer's occupation, or similar taxes. Buyer is responsible for the payment of all such applicable costs, fees and taxes, unless Buyer provides to EDS the appropriate Tax Exemption Certificate. Prices are exclusive of expenses related to special packing or procedures to cover unique circumstances of shipment or storage unless specifically noted. The Buyer shall obtain and supply to EDS any necessary export documents.

The Buyer hereby agrees to pay interest on all late fees at the rate of 1½% per 30-day period or the maximum allowed by law, whichever is lower. EDS may decline to furnish any Tools, offer repair services, or to stop Tools in transit whenever doubt as to Buyer's financial responsibility develops. The Buyer agrees to pay all of EDS' cost of collection, including reasonable attorney's fees whether or not a suit is commenced, in the event that the Buyer fails to make any payments when due hereunder. The Buyer hereby grants to EDS a security interest in all Tools until the full purchase price (including taxes, shipping charges and other fees) has been paid.

4. <u>Delivery</u>. On all shipments from EDS to the Buyer, title and risk of loss shall pass to Buyer upon delivery of the Tools to the carrier. Risk of loss for tools shipped to EDS for services shall pass to EDS upon receipt by EDS of such tool. Shipments will be insured in the amount of the new replacement value of items shipped, unless otherwise stated in this Quotation. The time of shipment quoted herein is an estimate based on conditions existing at the time this Quotation is made. Since time of delivery is not of the essence, any failure to comply with estimated shipping dates shall not constitute a breach of contract. EDS shall not be held liable for failure or delays in delivery due to causes beyond its control, including, but not limited to, Acts of God; fire, wind, water or other elements; war or riot; strikes or labor disturbances; shortages of material; any act, order, decree, law or regulation of any court, government or governmental agency; or by the demand for items exceeding EDS' available supply. The Buyer agrees to release and discharge EDS from any liability for any and all damages and losses arising from EDS' failure to deliver on time or to fill orders when such failure is due to any such cause.



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5. <u>Warranty</u>; <u>Limitation of Liability</u>. EDS warrants that all new Tools purchased will be free of defects in material and workmanship and that all services provided will be provided in a good and workmanlike manner. The warranties contained in this paragraph shall remain in effect for a period of twelve months after the date of shipment from EDS to the Buyer. The option of repair, replacement, or refund shall be at EDS' discretion. EDS shall pay all transportation charges relative to its repairing or replacing any Tool; however, EDS will not be responsible for costs of removal, loading, installation, or other similar related expenses.

This warranty shall not apply to failures resulting from (a) normal wear and tear, (b) alteration, misuse, or abuse by Buyer or a third party, (c) improper installation and/or maintenance by Buyer or third party, or (d) inaccurate and/or incomplete data supplied or approved by Buyer. This warranty also shall not apply to normal replacement of batteries.

THE FOREGOING OBLIGATIONS ARE IN LIEU OF ALL OTHER OBLIGATIONS AND LIABILITIES AND ALL WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR OTHERWISE EXPRESS OR IMPLIED BY FACT OR BY LAW, AND STATE BUYER'S EXCLUSIVE REMEDIES FOR EDS'S BREACH OF THIS WARRANTY. NOTWITHSTANDING ANYTHING TO THE CONTRARY HEREIN, EDS'S ENTIRE LIABILITY FOR CLAIMS, WHETHER BASED ON CONTRACT, WARRANTY, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, OR OTHERWISE FOR ANY LOSS ARISING OUT OF ITS PERFORMANCE OR FAILURE TO PERFORM THIS CONTRACT SHALL (1) NOT EXCEED THE CONTRACT PRICE FOR TOOL SUPPLIED HEREUNDER WHICH WAS THE CAUSE OF SUCH CLAIM, (2) IN NO CASE EXTEND TO DIRECT, INDIRECT SPECIAL, INCIDENTAL, OR CONSEQUENTIAL DAMAGES, OF ANY NATURE OR KIND, AND (3) TERMINATE UPON EXPIRATION OF THE WARRANTY PERIOD.

6. <u>Miscellaneous</u>. This Agreement will be governed by and construed in accordance with the laws of the State of New York without regard to its principles of conflicts of law. The County of Monroe in the State of New York is hereby designated as the exclusive forum for any action or proceeding arising from or in any way connected to this Agreement, and the parties hereby expressly consent to the personal jurisdiction of the state or federal courts in this forum. This Agreement may be executed by facsimile or electronic mail and in one or more counterparts, each of which shall be deemed an original but all of which together will constitute one and the same agreement and shall become effective when one or more counterparts have been signed by each of the parties and delivered to the other party.