

## TERMS AND CONDITIONS OF SALE

### 1. General

The terms and conditions of sale outlined herein ("these terms and conditions of sale") apply to sales or proposed sales of products by Valcor Engineering Corporation or any of its divisions ("Valcor"). These terms and conditions of sale shall supersede any terms and conditions of sale proposed by the purchaser, unless specifically agreed in writing by Valcor.

### 2. Acceptance of Orders

Any proposal by Valcor to which these terms and conditions of sale are attached, expires unless accepted by purchaser within thirty days from the date of such proposal. All orders, including acceptances of Valcor's proposals, are not final until subsequent acceptance at Valcor's home office in Springfield, New Jersey and approval by Valcor's credit department.

### 3. Prices

Prices quoted are F.O.B. point of shipment. Prices are based on receipt of order for the total quantity of products and/or services quoted, procurement and manufacture in the most economical lots, and shipment within one year of acceptance of order. All prices, discounts, terms, catalog numbers, and sizes are subject to change without notice.

### 4. Title and Risk of Loss

Title and risk of loss or damage to the equipment will pass to the purchaser after delivery to transportation facility at F.O.B. point.

### 5. Payment

Unless otherwise expressly provided, and subject to credit approval, payment will be net cash 30 days after date of invoice.

### 6. Setoffs

In a case where purchaser is indebted to Valcor for goods sold on credit, purchaser shall have no right to set off against such debt, any amounts allegedly or in fact owed by Valcor to purchaser.

### 7. Government or Customer Material

Prices and delivery based on the use of government and/or customer furnished material or equipment is subject to revision in the event that such material or equipment is not made available in a timely manner.

### 8. Tools

Valcor shall retain title to and possession of any patterns, molds, jigs, models and any other tools used in connection with this contract.

### 9. Shipments and Delivery

Shipping dates are approximate and based on conditions existing at time of quotation and upon prompt receipt of all necessary information by Valcor. Valcor will not be liable for delays in manufacture or delivery that may arise from causes beyond our reasonable control. All goods are shipped at the purchaser's risk. While every reasonable precaution is taken in packing, we are not responsible for goods damaged or lost in transit. Claims to recover such loss or damage must be filed with the carrier by the purchaser. Claims for shortage or incorrect material must be made within ten days after its receipt.

### 10. Limited Warranty

Valcor warrants to the purchaser that its products will be free from defects in materials and workmanship for a period of one year from the date of shipment. Valcor's liability is expressly limited to products which fail to conform to this limited warranty. The purchaser's exclusive remedy under this limited warranty is repayment of purchase price, repair, or replacement, at the option of Valcor, upon return of the product at purchaser's expense to Valcor's factory in a decontaminated state together with reasonably satisfactory proof of non-conformance. In no event will Valcor be liable for any consequential or incidental damages, including without limitation, personal injuries, property damage or loss of profits. Unauthorized or improper installation, use, repair or adjustment of the product shall terminate this limited warranty and relieve Valcor of any responsibility thereunder.

THIS LIMITED WARRANTY IS MADE IN LIEU OF ANY AND ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION, WARRANTIES WITH RESPECT TO MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

### 11. Cancellation

Orders accepted shall not be subject to cancellation except on terms that shall properly indemnify Valcor. Orders for special material may not be cancelled, nor will Valcor accept return of such material for credit.

### 12. Return of Material

Materials may not be returned for credit or exchange without Valcor's specific authorization. Returned materials must be in a decontaminated state and shall be shipped prepaid to Springfield, New Jersey. The condition of the item will determine credit allowance and allowance will only be applied to customer's account. Items containing special components may not be returned for credit.

### 14. Nuclear Insurance - Indemnity

For applications in nuclear projects, the purchaser or owner shall have complete and proper insurance protection against liability and property damage resulting from a nuclear incident and shall indemnify Valcor and Valcor's subcontractors of any tier, against all claims resulting from a nuclear incident.

### 15. Governing Law

These terms and conditions of sale shall be construed and governed by the laws of the State of New Jersey.

### 16. Government Regulations Relating to Export/Import of Goods and Technical Data

A. Goods and/or Technical Data provided under this Contract may be subject to the United States (U.S.) Export Administration Act of 1979, as amended (Title 50, U.S.C., App 2401 et seq.) and the Export Administration Regulations (EAR) (15 CFR 768-799); the U.S. Export Control Act (Title 22, U.S.C., Sec 2751, et seq.) and the Internal Traffic in Arms Regulations (ITAR) (22 CFR 120-130).

B. The Parties acknowledge that the above referenced laws, rules, and regulations on the import, export, re-export, or transfer to third countries or parties of certain goods

and/or technical data. The Parties acknowledge that licenses or permits from the appropriate U.S. government agencies may be required before the Buyer is permitted to provide Technical Data to the Seller or before the Seller is permitted to export goods to the Buyer. The Parties acknowledge that such licenses or permits may impose restrictions on use of said Goods and Technical Data.