

# Cornerstone Technical Group, Inc.

## STANDARD TERMS AND CONDITIONS OF SALE (U.S.)

- 1. DEFINITIONS.** As used herein, the term "order" means the purchase order, contract or other document placing an order for goods, to which this quotation or acknowledgment relates. The term "goods" means the products, materials, or services that are the subject hereof. The word "Seller" shall mean Cornerstone Technical Group, Inc. ("CTG"). The word "Buyer" shall mean the party to whom the CTG goods are sold.
- 2. ACCEPTANCE.** All orders are subject to acceptance by Seller at Seller's facility. The terms and conditions contained herein and any additional terms and conditions stated in the Seller's quotation shall constitute the only agreement between the Seller and Buyer. Any terms and conditions originating with the Buyer are superseded by Seller's standard terms and conditions and shall not be or become part of the contract between the Buyer and Seller unless specifically accepted in writing by a duly authorized official of the Seller. Any failure at any time of Seller to enforce any provision of these terms shall not constitute a waiver of such provisions or prejudice the Seller's right to enforce such provisions at any time. Should any provision of these terms be or become void or not enforceable by force or operation of law, all other provisions shall remain valid and enforceable. Neither the order or any part of this order can be assigned by Buyer to a third party without the express written permission of an authorized official of Seller. Seller reserves the right to hold shipment of or to not begin work on the goods purchased by oral or telephonic orders until written confirmation has been received from Buyer. Buyer assumes full responsibility and shall hold harmless Seller for inaccurate, incomplete or faulty data supplied to Seller for Seller's use in the performance of orders.
- 3. GOVERNING LAW.** The agreement between Buyer and Seller shall be governed, construed, and enforced in accordance with the laws of Williamson County in the State of Tennessee, USA. The exclusive forum for any litigation between Buyer and Seller shall be the state or federal courts located in or nearest to Williamson County, Tennessee, USA, and it is further agreed that such courts have personal jurisdiction as to Buyer.
- 4. PRICES.** Unless otherwise specified, all quotations are Firm Fixed Prices and are valid for (30) days from the date of their written transmittal to Buyer. Also, unless otherwise specified, the price of goods includes packing and packaging to good commercial practice to prevent damage or deterioration of the goods during transit.
- 5. DELIVERY.** Unless otherwise agreed to by Seller, all shipments are made F.O.B. factory of origin. Delivery to a common carrier or licensed trucker shall constitute tender of delivery to the Buyer and all risk of loss or damage in transit shall be borne by Buyer. In no event shall Seller be held liable for any damages or expenses caused by delays in delivery. The parties recognize that delivery dates are approximate. Seller reserves the right to ship the goods up to thirty (30) days in advance of the specified delivery dates without affecting the terms of payment, price or any other of the terms of the order. Seller shall not be liable for delay in delivery or failure to manufacture due to causes beyond its reasonable control or that of its Subcontractors due to, but not limited to, acts of God, acts of the Buyer, acts of civil or military authority, priorities, fire, strike, natural disaster, epidemics, quarantine restrictions, war, riot, terrorism, transportation delays, and inability, due to causes beyond Seller's reasonable control, to obtain necessary labor, materials or manufacturing facilities. In the event of any such delay, the date of delivery shall be extended for a period equal to the time lost by reason of the delay. Seller reserves the right to ship and bill "in place" any order which is complete and which meets Buyer's requirements and specifications as defined in the order if shipment of this order is delayed by Buyer's source inspector more than five (5) calendar days from its scheduled shipping date. The Buyer and Seller agree that "TIME IS NOT OF THE ESSENCE" in Seller's performance of this order.
- 6. TERMS OF PAYMENT.** Unless otherwise specified, terms of payment are Net thirty (30) days from date of invoice. Late charges at the rate of 1.5% per month (18% annually) and/or interest at the maximum rate allowed by law may be charged on past due accounts. All shipments on open account are subject to approval of Seller's credit department. In the event payment in full is not timely received, Seller shall be entitled to recover, in addition to any other amounts due, its attorney fees and other costs incurred in collecting amounts owed. Buyer conveys to Seller and Seller hereby retains a security interest in any goods sold pending full and final payment of the purchase price and any other amount due. Buyer authorizes Seller to complete on Buyer's behalf and/or file any documents necessary to perfect such security interest including but not limited to a UCC-1 financing statement.
- 7. WARRANTY.** Seller warrants that the goods sold hereunder are free from defects in material and workmanship for the product based period of time and date of delivery (as defined in the purchase order/contract) of each such respective item of goods (hereinafter referred to as the "Warranty Period") unless otherwise agreed in writing by the Seller's authorized representative. This express warranty is in lieu of and excludes all other warranties, express or implied, by operation of law or otherwise including THE WARRANTY OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE (WHETHER KNOWN TO SELLER OR NOT), ALL OTHER SUCH WARRANTIES BEING HEREBY EXPRESSLY DISCLAIMED BY SELLER AND WAIVED BY BUYER. Seller shall not be liable for any special, incidental, indirect or consequential damages including lost profits arising out of the delayed performance, performance or breach of performance of this order regardless of whether such liability be claimed in contract, equity, tort or otherwise. Seller's maximum liability under this warranty shall not exceed and Buyer's remedy is limited, in Seller's sole discretion, to either repair or replacement of the defective goods, or return of the purchase price. Such remedy shall be Buyer's entire and exclusive remedy. Under no circumstances shall Seller be liable for removal of Seller's goods from Buyer's equipment.
- 8. PROPERTY RIGHTS.** Except where otherwise expressly agreed, all hardware, drawings, designs, software and other materials and data developed, fabricated or otherwise required in the performance of this order, notwithstanding any charges therefor, shall be and remain the Seller's property and in Seller's possession and control. Except as specifically provided for in this order, Buyer shall have no right in any technical data and computer software associated with this order. In the event Seller agrees to provide Buyer with Proprietary Information, drawings, designs or data in conjunction with this order, Buyer agrees that such Information, drawings or data will not be disclosed to a third party, or used by Buyer, without the written permission of an authorized official of Seller.
- 9. LIMITATION OF LIABILITY.** Under no circumstances shall Seller be liable to Buyer for any incidental or consequential damages or expenses of any kind, including, but not limited to, personal injuries and lost profits, arising out of or in connection with this order. Except as provided for in Article 7 herein entitled "WARRANTY", the maximum liability of Seller shall not exceed the face value of this order.

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- 10. BUYER SUPPLIED MATERIAL.** All material or equipment owned or furnished by the Buyer while in Seller's possession will be carefully handled but Seller shall not be responsible for loss thereof or damage thereto.
- 11. CHANGES and TERMINATION.** Changes in whole or in part of the order can be made only with Seller's written consent. Termination of the order in whole or in part can be made only with the Seller's written consent and upon terms that will indemnify Seller against damage and loss.
- 12. TAXES.** Prices do not include any sales, use, excise, property, import, export or such taxes that may be levied on the transaction by local, state, federal or foreign governments. Any such taxes shall be the responsibility of the Buyer and Buyer agrees to indemnify and hold harmless Seller with regard to such taxes. If Seller is required to pay any such taxes, the cost shall be added to the invoice or billed to the Buyer separately.
- 13. INSOLVENCY.** As a material inducement to this Agreement, Buyer warrants and represents that it is not insolvent and no bankruptcy filing is contemplated. Notwithstanding the foregoing, Buyer shall immediately notify Seller if it becomes insolvent, if any bankruptcy petition (involuntary or voluntary) is filed against or on behalf of debtor, or any state law insolvency remedy (including but not limited to attachment, receivership or assignment for benefit of creditors) is sought by Buyer or a third party. If the Buyer becomes insolvent or is in default under the terms of this or any other agreement between the Buyer and the Seller, the Seller shall be entitled, at Seller's option, to discontinue further performance of all or part of the order in addition to any and all other rights and remedies provided by law or equity and available to Seller.
- 14. PATENT INDEMNITY.** Buyer shall indemnify and hold Seller harmless against any expenses or loss resulting from infringement of patents or trademarks arising from compliance with Buyer's specifications or instructions.
- 15. RESERVATION OF RIGHTS.** Seller reserves the right to make subsequent improvements and changes in design in its goods without imposing any obligation to make such changes or improvements upon goods sold to Buyer.
- 16. INSPECTION AND ACCEPTANCE OF GOODS.** Final inspection and acceptance of goods provided under this order shall be made by Buyer within four (4) days of receipt of the goods at Buyer's facility, except in the case where Buyer's source inspector or authorized representative inspects the goods at Seller's facility. Failure of Buyer to inspect said goods at its facility within the above time period (where source inspection is not applicable) shall be deemed to mean acceptance has occurred. In the event Buyer's source inspector is delegated to perform inspection and acceptance, then sign-off of the relevant test documentation and for shipping documents by the source inspector or authorized representative shall constitute acceptance of the goods by the Buyer.
- 17. LIMITATIONS PERIOD.** The parties agree that any legal action for breach of this agreement must be brought within not more than one year from the date of the agreement.

I certify that I am authorized to sign on behalf of the company listed below and that I have read and understand the terms and conditions of sale as specified above and agree to conduct business with Cornerstone Technical Group, Inc. under these terms.

Company\_\_\_\_\_

Authorizing Signature\_\_\_\_\_

Position of Employee\_\_\_\_\_