PRO-TECH Standard Terms and Conditions

PLEASE READ THESE TERMS AND CONDITIONS CAREFULLY

- 1. These Terms and Conditions ("T&Cs") shall govern quotations and the sales of goods and services by and between Pro-Tech Design and Manufacturing, Inc. ("PRO-TECH") and the purchaser of said goods and services ("Buyer"). The T&Cs are limited to those contained herein, except to the extent such other terms and conditions are accepted by PRO-TECH in writing. Individual and specific T&Cs agreed to in any service and supply agreements legally executed and currently in force between the Buyer and PRO-TECH shall govern and supersede the specific T&Cs contained herein. Any additional or different terms and conditions submitted by Buyer in any form, oral or written, including without limitation, Buyer's purchase order ("Order") shall not be binding on PRO-TECH unless subsequently and specifically agreed to in writing by PRO-TECH, whether or not they would materially alter this document, and PRO-TECH objects thereto. Buyer will be deemed to have agreed to all terms and conditions contained herein if any part of the goods or services ordered by Buyer are shipped to Buyer, an invoice is presented to Buyer in connection with the goods or services, or the Buyer's Order is accepted by PRO-TECH, as described in Paragraph 3 below. All Orders are subject to acceptance by PRO-TECH and/or its authorized credit sources.
- 2. Goods ordered by Buyer will be shipped FOB PRO-TECH's facility. Title to the goods priced at the shipping point passes to Buyer, at which time PRO-TECH's liability and the timely delivery for the goods ceases. Buyer shall reimburse PRO-TECH for all taxes, excise or other charges which PRO-TECH may be required to pay to any governmental entity (national, state or local) upon the sale, production or transportation of the goods. If Buyer requests FOB destination, title to the goods priced at destination shall pass to Buyer upon delivery to the specified destination, at which time PRO-TECH's liability for the goods ceases.
- 3. Upon receipt of Buyer's Order, PRO-TECH has seven (7) days to accept the Order. If the Order is not accepted by PRO-TECH within seven (7) days, the Order shall be deemed to not be accepted by PRO-TECH. PRO-TECH shall ship the goods pursuant to Buyer's reasonable instructions using the carrier designated by Buyer. PRO-TECH will use commercially reasonable efforts to ship goods on time. Due to the complexity and unreliability of the supply chain, PRO-TECH is not able to guarantee on-time delivery. If expedited shipping is requested by Buyer, responsibility for the cost of any such expedited shipping will be borne by Buyer.
- 4. No Order may be cancelled by Buyer, in whole or part, once the goods have been shipped. Buyer may not cancel an Order, or portion of an Order, more than 24 hours after the Order has been confirmed by PRO-TECH, without PRO-TECH's written consent. If PRO-TECH consents to a cancellation of an Order or portion of an Order by Buyer, Buyer shall pay to PRO-TECH the following: (a) with respect to any goods and services which have been finished, Buyer shall pay pro rata the full contract price for such finished goods and services plus 25% of such amount; (b) with respect to any goods and services which are not finished, Buyer shall pay for the costs of all raw or unused material plus a 25% fee attributable to such raw materials. PRO-TECH's consent to Buyer's cancellation of an Order, or portion of an Order, may be subject to certain additional conditions specified by PRO-TECH.
- All quotations are subject to revocation or change unless accepted. All unaccepted quotations automatically expire within 30 days of their issuance. Quoted prices are subject to change for delivery of items more than 90 days following the acceptance of the Purchase Order by PRO-TECH.
- 6. Buyer shall examine and test the goods before use or application. Buyer has the obligation to determine suitability of the goods for Buyer's intended use or application, and assumes all risks, costs and liabilities for results obtained. Unless otherwise specifically set forth in writing and signed by an authorized agent for PRO-TECH, PRO-TECH makes no representations which extend beyond the description on the face of PRO-TECH's invoice. PRO-TECH DISCLAIMS ALL EXPRESS, IMPLIED OR STATUTORY WARRANTIES OF ANY TYPE, INCLUDING, WITHOUT LIMITATION, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. In no event will PRO-TECH's liability to Buyer exceed the amount paid for the goods by Buyer. PRO-TECH shall not be liable for any special, indirect, incidental or consequential damages of any type, whether in contract or tort (including negligence and strict liability).
- 7. Buyer must provide written notice to PRO-TECH concerning any claimed defects or quality problems with the goods as soon as possible, but in any event within thirty (30) days after the invoice date for the goods. Failure to give written notice within the time periods set forth above shall constitute an irrevocable acceptance of the goods and a waiver by Buyer of all claims in respect to such goods. In the event such timely notice is given by Buyer, PRO-TECH shall be given a reasonable opportunity to investigate the matter, including an opportunity to inspect the goods in question. No charges or expenses incident to any claim will be allowed unless approved in writing by an authorized agent for PRO-TECH. No claim of any kind, whether as to goods delivered or for non-delivery of goods, shall be greater in amount than the purchase price of the goods. Goods shall not be returned to PRO-TECH for any reason, including for credit, without PRO-TECH's written permission, and returns and/or credit requests must be in accordance with PRO-TECH's specific instructions. Return of goods and/or issuance of any credits are subject to, and governed by, the terms of PRO-TECH's Credit and Quality Policies for Returns. No claim will be allowed if the goods have been treated or processed in any manner, following shipment from PRO-TECH to Buyer.
- 8. Buyer must commence any action based on a breach of any of these T&Cs within one (1) year of the date of delivery of the goods which are subject of such claim, or within one (1) year of the date of the alleged breach, whichever occurs first.
- 9. Buyer shall pay PRO-TECH's invoices within thirty (30) days following the date of the invoice, which will be dated as of the date of the shipment. If Buyer determines there is an error on the invoice, Buyer has seven (7) days to notify PRO-TECH of the error, after which the invoice shall be deemed accepted by Buyer. Invoices that are not paid within thirty (30) days following the date of the invoice (as

described above) shall be deemed "Past-Due." Buyer shall pay additional charges for Past-Due invoices equal to the lesser of one-and-one-half percent (1.5%) per month (18% annual rate) of the Past-Due amount or the maximum rate allowed by law. In the event that PRO-TECH determines that Buyer's financial condition so warrants, or when delivery is unreasonably delayed resulting from any fault of Buyer, including but not limited to delays caused by Buyer-supplied raw materials, or Buyer-owned tools or equipment, or when Buyer is delinquent in payment for invoiced merchandise, PRO-TECH may at any time and without prior notice alter or suspend credit terms, refuse shipment, cancel unfulfilled Orders or retain the property of the Buyer (including equipment and tools) until past-due payment has been received in full.

- 10. PRO-TECH will make a good faith effort to complete delivery of the goods as indicated by PRO-TECH in writing, however, PRO-TECH assumes no responsibility or liability for loss or damage due to non-performance, including delay or inability to deliver, directly or indirectly caused by fire, explosion, accident, flood, labor trouble or shortage, war, act of or authorized by any Government, inability to obtain suitable material, equipment, fuel, power or transportation, delays of carriers, contractors or suppliers, acts of Buyer or third parties, acts of God or any other cause of any kind beyond PRO-TECH's control. Goods affected by any such circumstances may be eliminated without liability, but this agreement shall otherwise remain unaffected. Unless previously agreed upon, PRO-TECH shipping dates given in advance of the actual shipment are best estimates based upon current shipping schedule and information received from suppliers and shall not be deemed to represent fixed or guaranteed shipping dates. PRO-TECH reserves the right to refuse a request by Buyer that a previously confirmed shipment date be changed.
- 11. If goods or services produced by PRO-TECH according to Buyer's Order or specifications, or using Buyer-supplied or designed equipment or tooling, are claimed to infringe any Patent, Trademark, Trade Secret or Copyright, Buyer agrees to indemnify PRO-TECH against any loss as a result thereof, including attorney's fees, costs and payment of any judgments arising therefrom, and to furnish PRO-TECH with a sufficient Bond to Guarantee full and faithful performance of this clause.
- 12. An Order is not assignable or transferable by Buyer, in whole or part, except with the written consent of PRO-TECH.
- 13. In the event of inability for any reason to supply the total quantities of goods specified in this Order, PRO-TECH may allocate its available raw material supply proportionally among any and all purchasers without liability for any failure of performance which may result there from.
- 14. Buyer warrants and represents that none of the goods associated with an Order will be sold by Buyer for export except in strict compliance with United States law and all other applicable laws. Buyer will indemnify and hold PRO-TECH harmless for and from any and all costs, damages and liabilities resulting from any action by Buyer related to any export of the goods being sold hereunder. In the event that PRO-TECH must hire agents, consultants, attorneys or others to address Buyer's non-compliance with this section, Buyer agrees to reimburse PRO-TECH for all costs and related expenses incurred by PRO-TECH.
- 15. Unless otherwise stated, Orders shall be deemed completed in full if shipped quantities are within \pm 10% of the original Order quantity. Orders requiring exact shipment quantities are subject to additional charges.
- 16. PRO-TECH does not establish or determine product shelf life for sterile or perishable items. Shelf life, expiration date, or use-by-date that is indicated on a Buyer's label are only specified by Buyer and are the sole responsibility of Buyer. PRO-TECH makes no claims as to the reliability of these dates.
- 17. When contracted to perform validation studies, PRO-TECH is responsible for the preparation of the study protocol, performing the study plan outlined in the protocol and the final report unless otherwise specified in a customer purchase order. In the course of developing the testing protocol, PRO-TECH provides the customer with options and alternatives for testing but does not assume the study sponsors responsibility for determining the suitability of testing for: (1) The intended use; or (2) Meeting applicable regulatory requirements. By signing the protocol, the customer accepts PRO-TECH's offer to perform testing outlined in the protocol. The customer further acknowledges that they have assessed the suitability of the testing relative to their product and assessed any regulatory requirements related to the testing of their product.
- 18. Waiver by PRO-TECH of any breach of any of these T&Cs by Buyer shall not be construed as a waiver of any other breach by Buyer.
- All notices must be sent to: PRO-TECH Design and Manufacturing, Inc., Attention: President, 14561 Marquardt Ave, Santa Fe Springs CA 90670