

QUESTECH SERVICES CORPORATION
Terms and Conditions of Sale

Orders must be submitted by purchaser and are subject to acceptance by Questech Services Corporation ("Questech") at its office in Garland, Texas. The capacity necessary for the completion of the work covered by this quotation/acknowledgment will not be reserved until a firm order has been placed.

PRICES

1. All prices are F.O.B. Garland, Texas, unless otherwise specified.

TAXES

2. All prices quoted herein are subject to any addition which may be necessary to cover any tax or charge now existing or hereafter imposed by Federal, State, or Municipal authorities upon the products or services herein described, or the production, sale, distribution, or delivery thereof, or upon any feature of this transaction.

ERRORS IN PRICE

3. Questech reserves the right to correct all typographical or clerical errors which may be present in the prices or specifications of the quotation or invoice.

PAYMENTS & CREDITS

4. Each shipment shall be a separate transaction and payment shall be made accordingly. Unless otherwise agreed in writing, payment for products or service shall be made on the basis of terms stated on the face of the quotation.
5. If, in the exclusive judgment of Questech, the financial condition of the purchaser at any time does not justify the commencement or continuance of production shipment to purchaser, in addition to all other remedies it may have at law or in equity, Questech may make a written demand of full or partial payment in advance, suspend its performance until such payment is made, and cancel the purchaser's order if such payment is not received by Questech within thirty (30) days after delivery in person or mailing of said demand by Questech.
6. If shipments are delayed by the purchaser, payments shall become due from the date when Questech is prepared to make shipment. If manufacture is delayed by the purchaser, payments shall thereupon be made based on the contract price and percentage of completion.
7. Products held for the purchaser shall be at the risk and expense of the purchaser. Terms and conditions subject to change without notice. Note terms outlined on face of quotation.
8. Accounts which become credit risks may be required to settle the credit account completely before normal shipments resume.
9. Accounts which become credit risks will have the maximum line of credit reduced and may be refused additional credit altogether.
10. We maintain the right to refuse shipment, ship COD, or demand cash in advance should the credit account become delinquent.
11. All special material orders will be canceled or placed on hold should the credit account become delinquent.
12. Delinquent accounts will be charged a flat interest rate of 10% per annum or up to the maximum rate allowed by law on all balances maintained past terms.

CANCELLATION

13. Questech reserves the absolute right to refuse cancellations.
14. A line item cancellation will be invoiced at the greater of the minimum restocking charge of \$100.00 or whichever of the following percentages of the quoted price if applicable:
 - 14.1 Up to 30 days prior to scheduled shipping date -- 25%.
 - 14.2 Between 30 days of scheduled shipping date and actual scheduled shipping date, even if cancellation order is received in such period -- 50%.
15. Customer will be billed for all special order material that is in stock or that may be en route from supplier and may not be canceled or returned upon cancellation of customer's order.

RETURNS

16. Prior written permission must be granted by Questech before returning goods for warranty inspection or credit.
17. Upon authorization, returns will only be accepted with all the shipping charges prepaid.

SHIPMENT & DELIVERY

18. Delivery of products shall be F.O.B. Questech factory. Title and risk loss or damage shall pass from Questech to the purchaser upon delivery by Questech to the possession of the carrier.
19. If Questech shall be delayed or prevented from the performance of any act required of it hereunder for any reason beyond its control, such act shall be excused for the period of such delay and time for performance shall be extended by a period equal to the period of such delay. Actual receipt of the products by the purchaser shall constitute a waiver of all claims for delay. In the event of such delay in delivery or failure to manufacture Questech shall not be required to allocate production and deliveries between customers.
20. Shipping dates are approximate and based on prompt receipt of all necessary information by Questech at its factory.
21. The products covered by order shall be deemed finally inspected and accepted within thirty (30) days after the delivery thereof, unless notice of rejection or notice of any claim is given to Questech within said period. Acceptance of aforesaid shall constitute acknowledgment of full performance by Questech of all its obligations hereunder except as further stated under paragraph entitled "Warranty".
22. Shipments can be +5%/ -5% of quantity ordered
23. Every effort will be made to ship every order on the required and/or estimated delivery date but due to dynamic variance in shop loading there is no guarantee of deliveries quoted as estimates at the time of price inquiry.

WARRANTY

THERE ARE NO WARRANTIES, INCLUDING THAT OF MERCHANTABILITY OR FITNESS, WHICH EXTEND BEYOND THE FOLLOWING DESCRIPTION:

24. Questech warrants that all materials shipped will meet the specifications acknowledged on the Purchase Order confirmation or in the absence of such specification will satisfy the specification set forth in Questech Engineering Specifications in effect at the time of shipment.
25. Claims must be submitted within 60 days of shipment to the Questech Manager of Quality for authorization to return. Questech reserves the rights to inspect rejected material for verification of customer claim.
26. Questech shall not be responsible or liable for destruction or loss of customer supplied material used in process development or that is lost in normal yielding of the process.
27. Questech shall not be responsible or liable for damages that may be incurred due to delay in shipments.

CONSEQUENT DAMAGES

28. In no event that Questech's liability for any breach of its obligations hereunder include any liability for incidental and consequential damages, nor shall any liability of Questech hereunder exceed the actual amount of funds actually paid by purchaser to Questech.
29. Questech shall not be responsible or liable for any destruction or loss of customer supplied material.
30. Questech shall not be liable for damages incurred from shipment or schedule delays.

MISCELLANEOUS

31. The validity, construction and interpretation of the contract between the parties and the rights and the duties of the parties thereunder shall be governed by the laws of the State of Texas.
32. The quotation form constitutes the final, complete and exclusive statement of representation made by Questech and Questech shall not be bound by any representations, promise or inducement of any kind unless set forth therein. The quotation form and acknowledgment form contain the entire agreement of the parties.
33. No waiver, alteration, or modification of any of the provisions of the contract shall be binding on Questech unless in writing and signed by a duly authorized representative of Questech and the purchaser.
34. All drawings, proprietary techniques and inventions made by Questech or its agents or employees in the fulfillment of the quotation and/ or contract shall be the property of Questech.
35. The purchaser may not assign his rights or duties under the contract of sale without the prior written consent of Questech, and furthermore, Questech shall be entitled to recover from purchaser all costs expended by Questech, including attorney's fees, in enforcing Questech's rights as stated above.