

DEFINITIONS: "Buyer" means the issuer of the purchase order/contract. "Goods" means the goods, supplies or items that include those part numbers, model numbers and/or descriptions set forth on the face of the Order. "Order" means the Buyer's purchase order/contract, these Terms, Seller's acknowledgement and mutually agreed upon written changes, amendments or modifications thereto. "Seller" means Bradford Engineering B.V. "Services" means installation, repair and maintenance services. "Terms" means these terms and conditions of sale. Seller hereby offers to supply the items and/or services identified in the quotation, proposal, or acknowledgment expressly conditioned upon the Buyer's acceptance of the following Terms (the "Terms").

1. ACCEPTANCE OF ORDER/ORDER OF PRECEDENCE: These Terms take precedence over Buyer's Terms to which notice of objection is hereby given. None of Buyer's terms and conditions shall alter these Terms in any respect and shall not apply to this transaction unless specifically agreed to in writing by Seller. Neither Seller's commencement of performance nor delivery shall be deemed as acceptance of Buyer's terms and conditions. For the purposes of interpreting these Terms, in the event of inconsistency or contradiction, it shall be interpreted in accordance with the following order of precedence, from greatest to least: (i) these Terms; (ii) any special terms and conditions; (iii) the statement of work; and (iv) any specifications.

2. EXPIRATION OF OFFER/RAW MATERIAL SURCHARGES: All offers of sale by Seller are firm for thirty (30) days from the date of the offer unless otherwise specifically stated in the Seller's offer or as otherwise may be expressly agreed to in writing by the Seller. Notwithstanding the foregoing, prices for Goods containing precious metals, nonferrous metals, magnetic minerals, and/or alloys thereof shall be subject to application of surcharge(s) at time of shipment, based upon fluctuations in the market value of such raw materials.

3. MINIMUM ORDER VALUE: The minimum acceptable value of any order is € 150.00. Buyer's accumulation of a number of items into one purchase is authorized to reach order value.

4. SHIPMENTS: Orders are being purchased FCA Bradford Engineering B.V. premises in Heerle, the Netherlands (INCOTERMS 2010). Title and risk of loss shall transfer to Buyer upon collection of the Order at Seller's premises (or when collection should have occurred but for delay by Buyer). Goods that are not rejected within thirty (30) days after delivery shall be deemed accepted; accepted Goods shall be subject to Seller's warranty herein.

5. BUYER REPRESENTATIVE: Buyer shall designate in writing a person to act as Buyer's representative with respect to the work to be performed hereunder. Such person shall have authority to transmit instructions, receive information, interpret and define owners' policies and decisions and to inspect and finally accept the Goods to be delivered or installed under this Order.

6. BUYER'S OBLIGATION OF ASSISTANCE: Except to the extent Seller has otherwise assumed such responsibility for itself under express provisions of the Sales Order Acknowledgment Buyer shall:

- furnish, in a timely manner, all information necessary for performance of the work including any plans, plant layout, wiring instructions and operational information that may reasonably be expected to affect the performance of the work. This includes to the extent reasonable previous studies or reports and other data relative to the design, installation and selection of equipment for the work to be performed by Seller.
- guarantee access to and to make all reasonable provisions for Seller to enter on its property and other public and private lands as is required for performance of the work including safe storage of equipment, materials and tools during the process of any such off-site work.
- cooperate in all reasonable ways necessary with Seller's performance of work.
- covenant that it has disclosed fully and accurately to Seller all general and local conditions which can affect performance of work prescribed hereunder or the price thereof. Buyer acknowledges that Seller is entitled to rely on information furnished by Buyer in developing its specifications, equipment selection, price and other terms of this Order.

7. PAYMENT TERMS/TAXES: Payment will be made by Buyer to Seller in EURO funds. Subject to credit approval, payment terms are "net thirty (30) days" calculated from the date of invoice. If credit approval is not obtained, payment is required before shipment in a form and arrangement acceptable to Seller. In addition to any other rights or remedies available to Seller, failure to pay the amount(s) due within the time specified will result in a late charge of one (1%) percent per month to Buyer's account until final payment and/or Seller shall have the right to cease all performance under the Order. For milestone payments under the Order, Seller may invoice on the original milestone completion date if the milestone is not met due to Buyer's fault or unreasonable delay. Seller shall only waive claims for payment to the extent payment has been received by Seller. Seller's prices do not include sales/use taxes nor import and/or export duties, all of which shall be paid by Buyer.

8. DELIVERY/CHANGES: Delivery and scope of supply shall be based on Seller's quote and any changes expressly agreed upon by Seller in writing. Buyer shall have the right at any time to change schedules, scope of supply or temporarily suspend work and Seller will endeavor to accommodate Buyer's written request for changes made at least ninety (90) days prior to scheduled shipment. If suspension lasts longer than thirty (30) days, Seller shall be paid for all work performed and costs incurred by Seller up to the date of suspension. Seller shall be under no obligation to comply with such change request until a price adjustment is negotiated between the parties as evidenced by an amendment to this Order.

9. EXPORT REGULATIONS: Buyer acknowledges that if the items purchased hereunder are to be exported, they are subject to the EU Export Regulations and the U.S. Commerce and/or State Department Export Regulations. Buyer accepts full responsibility for, and agrees to comply fully with, such regulations, including obtaining export licenses and re-export permission unless otherwise agreed by Seller. In the event that any applicable export control regulations prohibit or make impracticable Seller's performance hereunder, Seller will be released from all performance related to the Order without any further liability to Buyer.

10. CANCELLATION: Buyer may cancel the Order, in whole or in part, upon at least seven (7) days written notice to Seller. Such notice must be received by Seller no later than ninety (90) days prior to the scheduled ship date. In such event, Buyer shall pay Seller for work performed, work in process and Seller's costs to effect such termination. Buyer's cancellation costs shall not exceed the total Order price. Seller reserves the right to cancel this order or any portion thereof without liability if Buyer fails to make payment when due, if Buyer is adjudicated bankrupt, files a petition in bankruptcy, makes an assignment for the benefit of creditors or if action under any law for the relief of debtors is taken.

11. PATENT INFRINGEMENT: Except (i) to the extent of designs or other intellectual property provided by Buyer; or (ii) to the extent the Goods are altered or combined by Buyer in a manner causing the infringement, Seller will indemnify Buyer from claims brought by third parties against Buyer if the Goods infringe any patent. If an injunction is issued against further use of the Goods, Seller will, at its own option and expense: (i) procure for Buyer the right to continue using said item of the Goods; or (ii) modify or replace the same with non-infringing items; or (iii) remove the infringing items and refund the purchase price allocated thereto.

12. INTELLECTUAL PROPERTY/CONFIDENTIALITY: All designs, inventions (whether or not patented), processes, technical data, drawings, plans and/or confidential information related to the Goods or Services to be purchased are the exclusive property of the party furnishing them, and all rights, title and interest in and to such properties shall remain exclusively in the party furnishing same notwithstanding disclosure of any part thereof to the other party or Buyer's payment to Seller for engineering or nonrecurring charges. No intellectual property or proprietary information is being sold, granted, transferred, licensed or assigned; there are no works-made-for-hire or unrestricted use. Each party shall not use or disclose such property to any third party or any one not having a need to know, including employees, without the prior written consent of the other

party. Title to all tools, test equipment and facilities not furnished by Buyer or specifically paid for by Buyer as a separate line item under any Order, shall remain with Seller.

13. EQUIPMENT WARRANTIES AND REMEDY: Seller warrants that: (i) newly manufactured Goods sold hereunder and such portion of repaired/refurbished Goods as has been repaired or replaced by Seller under this warranty, shall be free from defects in material or workmanship at the time of shipment and shall perform during the warranty period in accordance with any specifications incorporated herein. Should any failure to conform to these warranties be brought to Seller's attention during the warranty period given below and be substantiated by Seller, then Seller shall correct such failure by, at Seller's option and expense, repair or replacement of the nonconforming Goods or portion thereof (removal and re-installation are not covered) or return of the unit purchase price of the nonconforming item or component. Any item returned for evaluation for repair that is deemed a non-warranty repair will be subject to Buyer's payment of transportation costs and a standard evaluation fee in addition to the repair fee.

The warranty period for: (i) newly manufactured items shall extend 24 months from the date of shipment by Seller (ii) repaired/refurbished articles shall extend for the unexpired warranty period of the item repaired or replaced. Seller's warranties do not cover any work that has been altered or subjected to accident, improper storage, installation, assembly, maintenance, operation or application or repair by any party other than Seller without Seller's prior written approval. Failure to promptly notify Seller in writing upon discovery of any non-conforming items during the warranty period shall void the warranty as to such items. THERE ARE NO WARRANTIES OR WARRANTY REMEDIES THAT EXTEND BEYOND THE FACE OF THIS ORDER. ALL OTHER WARRANTIES OR REMEDIES, WHETHER EXPRESS OR IMPLIED, STATUTORY OR OTHERWISE (INCLUDING ANY WARRANTY OF MERCHANTABILITY OR OF FITNESS FOR A PARTICULAR PURPOSE) ARE FULLY DISCLAIMED AND EXCLUDED.

14. CONFIGURATION STATUS AND SUBSTITUTION OF MATERIALS:
a) If the Order does not specify the revision level of applicable drawings and specifications, then "NRS" (No Revision Specified) shall be indicated next to the part number(s) on Seller's acknowledgment. NRS shall be interpreted as "same as last build" or latest revision in Seller engineering files, whichever is the most recent revision. For any Order that specifies a particular military or industry specification or standard, Seller will comply, at its option, with either the version specified in the Order or the most current military/industry specification or standard.

b) Seller reserves the right to make substitution of materials without degrading the quality of Goods. Customer approval will be solicited when changes affect form, fit of function. Seller further reserves the right to discontinue any Goods without notice and to change or modify specifications at any time without incurring any obligation to incorporate new or modified features in components or Goods previously sold or shipped.

15. LIMITATION OF LIABILITY: Except to the extent not permitted by law or for third party claims for bodily injury and property damage to the extent of Seller's negligence or willful misconduct, Seller's total liability pursuant to the Order whether for breach of contract, tort, statute, warranty or indemnity shall not exceed the unit price of any Goods sold hereunder with respect to which any claim is made. No indirect costs and expenses, attorney fees, special, incidental or consequential damages of any nature whatsoever (including lost profits), whether arising from Seller's breach of contract, or breach of expressed or implied warranty, arising in tort, at law or in equity, or any law giving rise to a claim of strict liability, or for any other cause, shall apply under this order. These disclaimers and exclusions shall apply even if the express warranty set forth above fails of its essential purpose. Seller shall have no liability for claims brought later than two (2) years from the date the Goods are delivered.

16. COMPLIANCE WITH LAW: Buyer recognizes that for Goods delivered hereunder which are partially or wholly of United States origin therefore Buyer shall comply with all applicable State and local laws including but not limited to the International Traffic in Arms Regulations (ITAR) (22 C.F.R. Parts 120-130), including, but not limited to, the reporting obligations set forth in 22 C.F.R. § 130.9. Buyer acknowledges that if items purchased are to be exported or re-exported, Buyer has the complete responsibility and agrees to comply with all export laws and regulations of the National and/or European Government, Bureau of Industry and Skill, U.S. Department of Commerce and of the U.S. State Department as applicable to the products and services.

17. INSURANCE: If Seller is performing Services at Buyer's facility, Seller shall maintain the following insurance coverage: (i) Commercial Public Liability in an amount of € 1,000,000 subject to a € 2,000,000 aggregate; (ii) Comprehensive Auto Liability in an amount of € 1,000,000 combined single limit; and (iii) Employers Liability as required by statute.

18. NON-WAIVER/REMEDIES: The failure of either party to enforce at any time any of the provisions of the Order shall not constitute a waiver of such provisions or a waiver of the right of a party to enforce any or all provisions. If any term or provisions of the Order is held invalid or unenforceable by any court of competent jurisdiction, the remainder of the Order shall continue to be valid and binding upon the parties unless performance thereof is rendered legally impractical and no longer fulfills the intention of the parties under the Order. Except to the extent prohibited by law, if specifically stated herein, each party's remedies shall be sole and exclusive, in place of those at law and equity.

19. APPLICABLE LAW AND FORUM FOR RESOLUTION OF DISPUTES: This Agreement and any non-contractual rights arising out of it or in connection with it or its subject matter shall be governed by and construed in all respects: in accordance with the law of The Netherlands. The parties each submit to the exclusive jurisdiction of the Dutch Courts as regards any claim or matter arising in relation to this Agreement which cannot be resolved amicably between the parties. The parties expressly exclude the application of the United Nations Convention on Contracts for the International Sale of Goods.

21. ASSIGNMENT: Except for Seller's right to assign this order to an affiliated company or subsidiary, neither party shall assign this Order without the prior written agreement of the other party which shall not be unreasonably withheld or delayed. Seller shall have the right to use vendors and subcontractors in performance of its obligations under the Order.

22. FORCE MAJEURE: Neither party shall be responsible to the other for any loss or damage due to failure or delay in performance or delivery of any of the Goods or Services required under the Order when such delay or failure is due to causes beyond the failing or delaying party's reasonable control. Such causes shall include without limitation fires, floods, epidemics, quarantines, unusually severe weather, embargoes, wars, political strife, riots, delay in transportation, compliance with any regulation or directives of any national, state or local municipal government or authority and unforeseeable shortages in fuel, power, materials or labor.

23. ENTIRE AGREEMENT: These Terms constitute the entire agreement between the parties concerning the subject matter hereof and the parties acknowledge and agree that none of them has made any representation with respect to the Terms or any representations including the execution and delivery hereof except as specifically set forth herein. These Terms cannot be modified or superseded except by written instrument executed by duly authorized individuals from each party.

24. ENVIRONMENTAL: - If available and quoted by Seller and included as a separate line item on the Order, Seller shall provide a REACH, RoHS, WEEE (or other similar statute restricting the composition or construction of Goods) assessment for the Goods. If Buyer requires compliance with any statutory composition or construction restrictions, such compliance could impact Order price, schedule and design and Buyer agrees to pay the cost and expense of same.

P. Gnemmi
Site Director

