

Gould Professional Services, Inc.
131 Justice St.
Chapel Hill, NC 27516
STANDARD TERMS AND CONDITIONS OF SALE
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These terms and conditions will be applicable to the Buyer's purchase of services and/or products from Gould Professional Services, Inc., ("Seller") unless modified by Seller on the face side hereof or in any other document, which is expressly referred to by Seller as part of this Agreement. This constitutes Seller's offer to Buyer. It is expressly conditioned on Buyer's acceptance of all of these terms and conditions, and Seller hereby gives notice that it objects to any additional or different terms in any of the Buyer's documents. This document, together with such additional documents as are expressly referred to herein by Seller, constitute the entire Agreement between the Buyer and Seller and may not be modified except in a written amendment signed by a duly authorized representative of Seller.

1. PRICE AND PAYMENT TERMS. Buyer agrees to pay the estimated price specified in this Agreement in **ADVANCE TO ONSET OF SERVICES OR SHIPMENT/DELIVERY OF ANY ORDER**, unless otherwise specified in the attached proposal. **SELLER has provided its best professional estimate of the cost based upon the estimated duration and scope of work to be provided under this contract, however, nothing in this document or otherwise shall be construed to create a fixed-price or guarantee that the work effort will not exceed the estimated price. Work will be billed at actual costs incurred. Regular status updates will be given to <Buyer> so that the budgetary impacts may be monitored as work progresses. <Buyer> is responsible for paying all reasonable out of pocket expenses.** If no contract price is specified, it shall be the Seller's price(s) in effect at the time of delivery. Seller may make and invoice for partial shipments. Each separately listed line item with a separate price may be invoiced upon its substantial completion by Seller. If a quotation lists milestones for a separate line item, Seller may invoice in installments based upon completion thereof. Where applicable, Seller may add to the contract price, and Buyer agrees to pay for the following additional items unless otherwise stated herein:

- a) The price of additional items of equipment and/or services and other charges made necessary by incomplete or inaccurate or late information supplied by the Buyer or Buyer's changes or delays;
- b) Any increase in the price of OEM Equipment (as defined below) supplied as part of this order which occurs after the preparation of Seller's quotation;
- c) All sales, use or similar taxes or charges and customs taxes and duties;
- d) Freight, transportation, demurrage, insurance, and extraordinary packaging charges;
- e) As to any invoice not paid within thirty (30) days, interest on the unpaid portion until paid at the rate of one and one half percent (1½%) per month, or the legal maximum allowed, if less; and
- f) All reasonable and necessary costs and expenses incurred by Seller in collecting the contract price as may be adjusted hereby, including attorney's fees and litigation expenses.

Buyer is responsible for all applicable taxes, except for taxes due on the net income of Seller

For any and all payment terms modified in the attached proposal, exclusive of advance payment, Buyer specifically consents to, and will assist in the filing of, a Uniform Commercial Code (UCC -1) Lien against the Buyer's company AND / OR assets for the entire contract amount, which will be released upon full and final payment according to the contract schedule.

Any additional items or responsibilities added or requested to be performed after the date of the signing of this document and before the termination of the warranty period, or which fall outside the scope of this contract / quotation, will become billable for time and materials costs at the standard rate in effect at the time of request, unless this document is amended, agreed upon, and signed by all interested parties.

All of Seller's expenses are in addition to the contract price and shall be reimbursed by the Buyer within ten (10) days of being invoiced by the Seller. Seller may, at its option, require earlier progress payments if the financial condition of the Buyer does not justify continuation of services or delivery on the specified payment terms. In addition, Seller shall have the right, at any time, for credit reasons or because of Buyer's breach of this or any other agreement with Seller, to withhold shipments in whole or in part, to recall goods in transit, retake same, and repossess all goods which may be stored with Seller for Buyer's account, without the necessity of taking any other proceedings, and Buyer consents that all the goods so recalled, retaken, or repossessed shall become the absolute property of Seller, provided that Buyer is promptly notified of such action and is given full credit therefore. Seller reserves a security interest in all products provided hereunder, including but not limited to equipment and software until full payment of the purchase price.

2. DELIVERIES. All quoted delivery dates are approximate. Firm delivery dates must be confirmed in writing by Seller at the time of order acknowledgment and shall be considered to be achieved upon the warranty commencement date described in Section 3 below. Delivery method and route of shipment are at Seller's discretion unless Buyer supplies other instructions. Even where installation is included in the Agreement, unless otherwise stated herein, deliveries are F.O.B. place of shipment. Therefore, unless otherwise stated, title and risk of loss shall pass to the Buyer at the place of shipment. Any claim for loss or damage in transit shall be made only against the carrier. If the Buyer delays delivery and the Seller is required to store the equipment, the Buyer's liability for risk of loss, storage charges, and payment of the contract price shall commence when the equipment is ready for shipment, even though the Seller consents to such delay.

Seller shall not be liable for any loss or damage arising out of delays beyond the Seller's reasonable control, including but not necessarily limited to late receipt of order, complete requirements and specifications, business or other required information as identified in the written proposal, if any, at Seller's place of business, failure to agree on final product and/or performance specifications in writing, together with the clarification of and agreement upon all technical details for services to be performed and/or both software and hardware, strikes, labor difficulties, riot, war, fire, delay or defaults of common carriers, failure or curtailment in Seller's usual sources of supply, government decrees or orders, Buyer caused delays or Acts Of GOD. Seller further reserves the right, in the event of the happening of any of the foregoing, to equitably delay its time of performance or to cancel this Agreement without any resulting liability. The Seller shall also have the right to equitably adjust the contract price in the event any of the foregoing are caused by the Buyer or are within its reasonable control. Any delivery on which the warranty has commenced, even though made after the scheduled delivery date, shall constitute a good delivery and shall be paid for regardless of other controversies relating to other delivered or undelivered services or products.

Buyer agrees to provide timely access to all personnel, resources (including all necessary hardware, software and network) and requested information which is deemed necessary to ensure that SELLER can fulfill its commitments stated herein.

3. WARRANTY.

a. **SERVICES.** SELLER WARRANTS THAT THE SERVICES WILL BE PROVIDED IN A PROFESSIONAL AND WORKMANLIKE MANNER. CONSULTANT ANALYSES, RECOMMENDATIONS AND DELIVERABLES ARE PERFORMED BASED ON INDUSTRY BEST PRACTICES AND SELLER'S BEST EFFORT. USE OR APPLICATION OF ADVICE, RECOMMENDATIONS, ANALYSES AND DELIVERABLES ARE THE SOLE RESPONSIBILITY OF BUYER AND SELLER MAKES NO OTHER WARRANTIES EXPRESS OR IMPLIED INCLUDING BUT NOT LIMITED TO THE

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WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. Buyer acknowledges that Seller is only able to provide services based on the quality of information and work specifications supplied by Buyer.

b. **SOFTWARE.** Seller warrants that any computer software supplied hereunder will perform substantially in accordance with the specifications, which are set forth in writing by the Seller. This warranty does not apply to software sold hereunder that is not manufactured by Seller and is not warranted by Seller. Such software shall only have the warranty furnished by the manufacturer, which Seller hereby passes on to Buyer to the extent it is able to do so. This warranty does not apply to the resolution of problems resulting from modification or improper installation of the software by the Buyer. Seller does not warrant that the functions to be performed by the software will meet the Buyer's requirements or that its operation will be uninterrupted or error free. The warranty of Seller does not apply to defects not caused by Seller (such as acts of God), or a failure to comply with conditions of operation or handling. The warranty does not apply if the software has been improperly installed, modified, is used in connection with other equipment or software not authorized by Seller, or is not operated in accordance with Seller's instructions.

c. **HARDWARE.** Equipment sold hereunder is not manufactured by Seller and is not warranted by Seller. Such equipment shall only have the warranty furnished by the manufacturer, which Seller hereby passes on to Buyer to the extent it is able to do so.

d. **CLAIM PROCEDURE.** To make a claim under this warranty, the Buyer must notify the Seller in writing within thirty (30) days from the date the Buyer discovers, or should have discovered, any defect. The sole liability of the Seller shall be to repair or replace the defective item of equipment or re-perform the defective services either at the Seller's facility or in place, at its option. Seller shall be given reasonable time and opportunity to perform the repair or replacement. Buyer shall comply with the Seller's repair and return procedures as published by Seller, so as to insure proper tracking, auditing of records and work authorizations. In no event shall Buyer return equipment, work products or materials furnished hereunder to the Seller without receiving prior written authorization from the Seller.

e. **WARRANTY PERIOD.** The warranty shall commence on the date installation (including testing where applicable) is substantially completed in accordance with the specifications of this Agreement, or the date Buyer provides written acceptance, or the date the software is used by the Buyer for its intended purpose and/or for revenue producing purposes, whichever date occurs first.

All services sold or licensed by Seller hereunder shall be deemed to be irrevocably accepted by the Buyer thirty (30) days after commencement of the warranty period. Unless otherwise stated on the face side, the warranty period shall be thirty (30) days.

NO EXPRESS WARRANTIES AND NO IMPLIED WARRANTIES, WHETHER OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OR OTHERWISE (EXCEPT AS TO TITLE), OTHER THAN THOSE SET FORTH ABOVE SHALL APPLY TO PRODUCTS SOLD BY SELLER AND NO WAIVER, ALTERATION OR MODIFICATION OF THE FOREGOING SHALL BE BINDING AGAINST SELLER UNLESS BY AN EXECUTIVE OFFICER OF SELLER.

4. LEGAL REPRESENTATION AND ADVICE. Investigation of computer, network and information security anomalies may result in the discovery of suspected Cyber-Crime activities. The collection and examination of information and potential Evidence require significant technical AND legal knowledge. **THE DETERMINATION OF WHETHER A CRIME HAS BEEN COMMITTED IS A LEGAL DECISION THAT CAN ONLY BE MADE BY BUYER'S ATTORNEY AND MANAGEMENT TEAM AND THIS DETERMINATION MATERIALLY AFFECTS THE BUYER'S LEGAL RIGHTS, BUSINESS RISK, AND AVAILABLE RECOURSE, AS WELL AS POTENTIALLY THE LEGAL AND PRIVACY RIGHTS OF SUSPECTED INDIVIDUALS AND/OR ORGANIZATIONS.** During any such investigation, BUYER will provide Seller access to BUYER'S ATTORNEY for the delivery of information and evaluation of BUYER'S legal status. BUYER will consult with BUYER'S ATTORNEY and make all decisions regarding the BUYER'S business, including but not limited to legal position, options, and course of investigative action (i.e., refer the matter to Law Enforcement, AND/OR conduct Buyer's own investigation, AND/OR take Civil action, AND/OR retain the information as BUYER Private information and cease investigative work, OR any other disposition). **Buyer and Buyer's Attorney are solely responsible for the business decisions made by Buyer.**

Seller possesses significant knowledge in this area of technology and law and will share this knowledge and apply its best effort in assisting Buyer in the management of any such investigation, however **SELLER IS NOT AN ATTORNEY, SELLER IS NOT IN THE BUSINESS OR PRACTICE OF LAW AND DOES NOT RENDER LEGAL ADVICE. ANY PROFESSIONAL KNOWLEDGE ABOUT MATTERS OF LAW SHARED WITH BUYER IS INTENDED SOLELY FOR THE USE OF BUYER'S ATTORNEY. BUYER AGREES THAT BUYER WILL NOT RELY UPON PROFESSIONAL KNOWLEDGE ABOUT MATTERS OF LAW SHARED WITH BUYER, AND WILL REFER ANY SUCH KNOWLEDGE TO BUYER'S ATTORNEY FOR LEGAL REVIEW AND ADVICE PRIOR TO THE APPLICATION OF SUCH KNOWLEDGE IN THE CONDUCT OF BUYER'S BUSINESS.**

BUYER SPECIFICALLY AGREES TO HOLD HARMLESS SELLER FOR THE PROVISION OF PROFESSIONAL KNOWLEDGE ABOUT MATTERS OF LAW AND ACKNOWLEDGES BUYER'S DUTY TO CONSULT WITH BUYER'S OWN ATTORNEY BEFORE ACTING UPON ANY INFORMATION SO PROVIDED.

5. AUTHORIZED ACCESS TO INFORMATION AND SPECIFIC AUTHORIZATION TO PERFORM WORK. Buyer specifically authorizes Seller, its designated employees and subcontractors to access and/or alter Buyer's proprietary and public computer network and computer systems and devices and related data and information and to conduct examinations of security devices, configurations, log data, performance data and vulnerabilities as well as any other information, data or property necessary in the performance of specific contracted work tasks during the term of this Agreement and any extension. Buyer acknowledges that this specific authorization is limited to the scope of work identified in the Proposal, together with any changes accepted in writing by Buyer during the term of this Agreement and agrees that **NO CHANGE to this authorization shall be made Except in writing and delivered to Seller by hand delivery or certified mail.** NO access and/or alteration to Buyer's proprietary and public computer network and computer systems and devices shall be made without the specific consent of Buyer, HOWEVER, for the purpose of access and/or alteration as defined in law, **BUYER WAIVES ALL CLAIMS OF UNAUTHORIZED ACCESS OR ALTERATION AS DEFINED IN LOCAL STATE, AND FEDERAL LAW AND REGULATIONS,** in connection with the provision of work or services hereunder during the term of this contract and any extension, unless written notice is delivered to Seller's designated employees revoking such access privilege.

Buyer agrees to obtain proper legal access to information, computers, computer networks and associated information and property at no expense to Seller, and to indemnify and Hold Harmless Seller, its agents and employees, from any and all claims related to improper access to information, including claims relating to invasion of privacy and unauthorized access to computer or information systems in connection with services to be furnished hereunder. Buyer warrants that Buyer is the owner of all computer systems and information, or is specifically authorized to grant access to said systems and information; further Buyer warrants and irrevocably confirms that Seller is authorized to access its computer systems, information and computer networks in connection with services to be furnished hereunder. Buyer warrants this access authorization to be consistent with definitions contained in Title 18, U.S. Code, Section 1030, and that Seller is specifically authorized to access systems identified by Buyer. In any instance where Buyer is required by law or by proper legal procedure to obtain any writ, warrant or court order authorizing access to any property or information, Seller will be specifically named by Buyer as having the authority to possess and analyze any such property or information.

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6. LIMITATION OF LIABILITY AND LIMITATION OF ACTIONS. WHETHER OR NOT CAUSED BY SELLER'S NEGLIGENCE, SELLER SHALL NOT BE LIABLE FOR ANY COVER DAMAGES THAT EXCEED AN AMOUNT EQUAL TO TEN PERCENT (10%) OF THE CONTRACT PRICE CONTAINED IN THIS AGREEMENT, OR FOR ANY INDIRECT, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES, HOWEVER CAUSED. SELLER'S OBLIGATION TO REPAIR OR REPLACE EQUIPMENT (INCLUDING SOFTWARE WHERE APPROPRIATE) AS SET FORTH ABOVE SHALL BE THE BUYER'S SOLE AND EXCLUSIVE REMEDY FOR BREACH OF WARRANTY OR NEGLIGENCE. IF SELLER FAILS TO REPAIR OR REPLACE AS AFORESAID, SELLER'S ENTIRE LIABILITY SHALL NOT EXCEED THE SELLER'S PRICE FOR THE DEFECTIVE EQUIPMENT OR SERVICE. ANY LEGAL PROCEEDING BROUGHT UNDER OR AS A RESULT OF OR ARISING OUT OF THIS AGREEMENT MUST BE BROUGHT WITHIN ONE (1) YEAR AFTER THE CAUSE OF ACTION ARISES.

Seller shall use its best efforts to provide the services required hereunder. Buyer acknowledges that Seller is only able to provide services based on the quality of information and work specifications supplied by Buyer. Seller shall be indemnified and saved harmless by Buyer from and against all losses, claims, damages, penalties, costs and expenses incurred by Seller or arising out of the performance or nonperformance of any duties or obligations under this agreement. Seller shall not be liable to Buyer for any special, direct, indirect or consequential damages including, but not limited to, loss of profits, or claims of invasion or privacy, even if the parties have knowledge of such damages.

7. SELLER'S PROPRIETARY RIGHTS.

a. **SOFTWARE.** Seller hereby grants to Buyer the personal, nonexclusive and nontransferable license to use any software supplied with the equipment sold hereunder only on said equipment, or on the other Equipment of the Buyer or third party which has been specified at the time of the Seller's quotation of this order. Buyer agrees that it does not acquire title to or ownership of the software, but only the media on which it is supplied. All patent, copyright and other proprietary rights are retained by the Seller. Buyer may not decompile, reverse engineer, transfer, rent, sell or lease the software or otherwise transfer possession of it unless agreed to in writing by the Seller. Buyer may make one copy of the software for archival or backup purposes only, and the copy must bear the copyright notice contained in or on the original. Buyer may not copy any written materials supplied with the software. Buyer may not modify, translate or create derivative works from the software unless specifically authorized by Seller in writing. Buyer will hold the software in confidence and not disclose it or make it available to third parties. Buyer will disclose it only to those employees as may be necessary to use it in its intended manner and only if said employees agree in writing to protect Seller's proprietary rights. By acceptance of said equipment and software, Buyer agrees to be bound by the terms of this license.

b. **OTHER.** Unless specifically stated on the face side, the Seller retains ownership of and the copyright to, and the Buyer will NOT acquire any title to or interest in or the right to possess models, patterns, processes, tools, fixtures, technical documentation or Seller's proprietary data (such as design, engineering, and technical information whether or not patentable), or trade secret information (such as secrets contained in manufacturing methods or processes, treatment and chemical compositions, and plant layout and tooling). Any proprietary data or trade secret information of Seller disclosed to Buyer will be retained in confidence by Buyer and not disclosed to others unless such data or information was known to Buyer at the time of disclosure by Seller as evidenced by Buyer's business records, or was known or later becomes known to the general public or Buyer without a breach of this or any similar agreement to which the Seller is a party.

8. INTELLECTUAL PROPERTY RIGHTS.

SELLER is in the business of providing consulting services drawing upon the knowledge, understanding and expertise SELLER has gained in the course of working with many individual Buyers, both similar and different from Buyer. Nothing in this document or otherwise is intended to assign or limit GPS' use of any know-how or knowledge to the extent it does not include Buyers confidential information and that SELLER had prior to providing the services or that SELLER obtains during its performance under this Agreement.

Seller represents and warrants only that it has no knowledge of any adversely held, potentially enforceable intellectual property rights of any third parties which would be infringed by any equipment or software supplied pursuant hereto. If said equipment or software is held to constitute such infringement and if the use thereof is enjoined, Seller may, at its sole option, either procure for Buyer the right to continue to use said equipment or software, or modify it so as to become noninfringing, or replace it with non-infringing but substantially equivalent equipment or software (as the case may be), or remove the infringing equipment or software and refund the contract price, less an allowance for reasonable depreciation. In no event shall the Seller's liability for any infringement exceed the contract price. The foregoing states the entire liability of Seller for infringement of intellectual property rights of third parties. The preceding agreements by Seller to this paragraph shall not apply to any equipment or any part thereof manufactured to Buyer's designs, nor to any infringement or claim of infringement relating to the use of said equipment or part thereof in combination with other equipment not furnished by Seller. If any equipment or part thereof sold pursuant hereto is supplied in accordance with the Buyer's specifications, Buyer warrants that such equipment or part thereof shall not infringe any intellectual property rights of third parties and Buyer shall indemnify and hold the Seller harmless against any damages and expenses that Seller incurs in any infringement claim.

9. NON-RECRUITMENT. During the term of this Agreement and for 12 months thereafter neither party will solicit for employment any employee or contractor of the other who was directly or indirectly involved in the services performed under this Agreement. A general advertisement or a request for employment initiated exclusively by the employee is not considered a solicitation pursuant to the terms of this section.

10. TERMINATION AND CANCELLATION. In the event Buyer cancels or terminates all or any part of this Agreement for any reason (except for Seller's material breach), Buyer agrees to pay Time and Materials costs for work performed within the scope of this agreement, at the Seller's current shop rate, plus a reasonable cancellation charge to cover Seller's costs and expenses, direct and indirect and general and administrative, incurred in performing and preparing to perform this Agreement plus a reasonable profit on the entire Agreement and Seller's costs and expenses in preparing the termination claim. Any discounts given to Buyer are in consideration of the performance of the entire contract, and are not applicable to services deemed billable for cancellation. If Buyer fails or refuses to pay Seller's cancellation charge, then Seller may also seek injunctive relief without posting a bond, and seek recovery of, and Buyer agrees to pay the costs and expenses of, litigation, including attorney fees.

a. **REMEDIES.** The parties agree that if there is a breach of this Agreement by Buyer, Seller shall have remedy in law and/or equity including, but not limited to, appropriate injunctive relief without the need to post a bond, or specific performance as may be granted by a court of competent jurisdiction. In the event of a breach of this agreement by Buyer, Buyer specifically agrees to hold Seller harmless for any public release of factual information regarding Buyers breach, including but not limited to credit reporting agencies, and news media.

Each party agrees that any violation or threatened violation of this Agreement by Buyer will cause irreparable injury to the Seller, and that, in addition to any other available remedies, the Seller shall be entitled to obtain injunctive relief against the breach or threatened breach of this Agreement by the receiving party, without the necessity of proving actual damages

11. SUPPLEMENTAL EXPORT TERMS. The following supplementary terms and conditions of sale shall be applicable to the sale of services and/or equipment (collectively referred to as the ("Equipment") which shall have an ultimate destination and/or use outside the continental United States of America.

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a. **PAYMENT AND LETTER OF CREDIT.** The contract price typed on the Seller's quotation form is payable in the U.S. in U.S. dollars unless otherwise specified. Seller does not accept liability for variations in exchange rates between the date of this agreement and the date of payment. Unless otherwise agreed to by the Seller, payment shall be made by an irrevocable, divisible letter of credit in U.S. dollars confirmed by a U.S. banking institution acceptable to Seller. The said letter of credit shall be provided by the Buyer, at Buyer's expense, and shall allow payment against a sight draft which, in the case of Equipment shipments, shall be supported by "on board" bills of lading (without benefit of customer approval). Seller shall not be obligated to commence performance until it has received the said letter of credit from the confirming U.S. Bank, and all dates for the completion of performance shall be extended by an equitable amount of time at least equal to the time taken by the Buyer in providing the said letter of credit.

b. **BUYER'S OBLIGATIONS**

(1) **Customs.** It shall be the responsibility of the Buyer to clear the Equipment sold hereunder through the customs department of the country to which the Equipment is shipped, and to satisfy all other rules and regulations of the said country relative thereto. The Buyer shall fully satisfy all import license requirements and other similar rules and regulations prior to instructing Seller to commence performance of this order.

(2) **Local Delivery.** Unless otherwise specifically agreed to by the Seller in the typed portion of the quotation, the Buyer shall provide for all transportation from the F.O.B. point to the site where the Equipment is to be installed at its cost. Proper and safe storage of the Equipment on docks and at the site shall also be the responsibility of the Buyer. The foregoing shall be applicable notwithstanding that the Seller may agree to install the Equipment.

(3) **Site Preparation.** Unless otherwise specifically agreed to by the Seller in the typed portion of the quotation, the Buyer shall be responsible for the timely and complete preparation of the site where the Equipment is to be installed in accordance with the agreed upon technical specifications.

(4) **Duties, Taxes, Etc.** The Buyer will either pay directly, or reimburse the Seller for, all duties, taxes, license or registration fees, assessments or levies of any nature whatsoever now or hereafter imposed by or under the authority of any law, rule or regulation with respect to the ownership, manufacture, importation, transportation, installation, purchase, sale or use of the Equipment, except income taxes on the Seller imposed by the Government of the United States.

(5) If Buyer selects other equipment not provided by Seller which is to be integrated with the Equipment sold by Seller hereunder and if such Buyer selected equipment must be imported into the United States for system integration, Buyer must pay for all costs and expenses incident thereto, including any duties or other customs charges imposed by the United States. Seller will use reasonable efforts to have such import done on a temporary bond and to assist Buyer in recovering such duty, but can not guarantee the success thereof.

(6) Certain Equipment sold by the Seller is subject to the United States Export Administration Act, as amended, and its re-export is prohibited unless prior U.S. government authorization is obtained. Buyer agrees not to engage in such re-export unless such prior government authorization is obtained or granted.

c. **FORCE MAJEURE EVENTS** In addition to those force majeure events specified in section 2 above, the performance of the Seller's obligations hereunder shall be contingent upon the Seller's ability to obtain a proper export license from the United States Government. Additionally, the term "delays beyond the Seller's reasonable control" in section 2 shall include, but not necessarily be limited to, delays or a failure to perform resulting from any damage caused to the Equipment after it leaves the F.O.B. point and/or any delays or a failure to perform caused by civil commotion, war, riot, rebellion, revolution, insurrection, military directive or usurpation of power. The Seller shall be granted an equitable extension of time to perform this Agreement and shall further have the contract price increased by an equitable amount in the event of any delay or a failure to perform caused by any event specified above or those events specified in section 2.

d. **ACCEPTANCE.** Buyer shall carefully inspect the Equipment promptly after its receipt. Within thirty (30) days after receipt of the Equipment (for Equipment sales only) or, as to installed Equipment, within thirty (30) days after the substantial completion of installation or the use of the Equipment for its intended purpose, whichever occurs first, the Buyer shall notify the Seller in writing of any defects in material or workmanship. The Seller shall then repair or replace in accordance with the warranty provision contained in section 3 above. The failure of the Buyer to reject the Equipment in writing within said thirty (30) days shall constitute acceptance of it, and under no circumstances may the Buyer revoke its acceptance after the expiration of the aforesaid thirty (30) day period.

12. GENERAL PROVISIONS.

a. This Agreement shall be governed by the laws of the State of North Carolina, USA . Any dispute shall be resolved exclusively by an appropriate North Carolina State Court or any appropriate U.S. District Court sitting within said state. Service of process may be made in the manner provided below for notices.

b. Miscellaneous. Failure to enforce any provision of this Agreement by a party shall not constitute a waiver of any term hereof by such party. The laws of the State of North Carolina shall govern this agreement, without reference to conflicts of laws rules. This Agreement may be executed in two or more counterparts (which may be delivered by facsimile), each of which shall be deemed an original and all of which together shall constitute one instrument.

c. The Buyer may not assign this Agreement without Seller's prior written consent.

d. Seller's quotation is valid for thirty (30) days from its date. However, prior to Buyer's acceptance, Seller's quotation is subject to change to correct any error or omission of which Seller notifies Buyer. After acceptance, any change requested by the Buyer will not be effective until the parties reach agreement on price, delivery, and other affected conditions of this Agreement and such agreement is approved in writing by the individual designated by Seller to accept changes.

e. ***Pursuant to NCGS § 25-2-204 and § 25-2-208, when a proposal is issued and work and / or work products commence in accordance with that agreement, a valid contract by law becomes in force. In the absence of modified terms and / or written acceptance from the buyer the proposal and these standard terms and conditions of sale constitute the entire agreement between the parties, and is fully enforceable to the extent of the agreement and applicable law.***

f. All notices shall be in writing. Notices to the Buyer shall be sent to its address shown on Buyer's order to the attention of the person accepting on the Buyer's behalf. Notices to the Seller shall be sent to the address of the Seller shown on its quotation or order acknowledgment form. Notices shall be deemed given five (5) business days after they are mailed, postage prepaid, to the intended recipient.

g. Stenographic and clerical errors are subject to correction. Each party agrees to notify the other promptly when it becomes aware of same.

PRICING SCHEDULE

HOURLY

a. **Standard Hours** are defined as Monday - Friday 9:00am to 5:00pm, non-holiday, and are billable at the quoted rate.

b. All non-standard hours will be billed at one and one half times the quoted rate.

c. All holiday hours will be billed at two times the quoted rate.

TRAVEL

a. Travel time is billable at the quoted hourly travel rate, portal to portal for all travel greater than one half hour from the point of origin.

b. All travel expenses are the Buyer's responsibility and are due upon receipt of an itemized invoice.

DISCOUNTS

Discounts may be given at the discretion of the seller, not to exceed ten percent of the quoted price and may only be applied to hourly service. Discounts are null and void in the event of contract cancellation.