

## Standard Terms and Conditions of Sale Q-Card Co.

**MINIMUM BILLING:** Orders for \$100.00 net or less will be billed at \$100.00 plus transportation charges.

**DELIVERY:** Unless otherwise indicated, all shipments are made F.O.B. place of shipment. Q-Card shall not be liable for delivery on any specific date or dates or within any specified period of time in events of hardship or by reason of causes beyond its control, including, but not restricted to, Acts of God, or the public enemy, governmental orders, restrictions or priorities, fires, floods, strikes, or other work stoppages, accidents, catastrophes, war conditions, riot or civil commotion, labor, material and/or transportation shortages, legal interferences or prohibitions, embargoes, defaults and delays of subcontractors and suppliers for like or different causes which, render performance or timely delivery difficult or impossible, and, in no such event shall Q-Card incur or be subject to any liability whatsoever.

**PAYMENT TERMS:** Payment in full is due 30 calendar days after shipment. A late payment charge of one and one-half percent (1.5%) per month applies to and will be assessed on all past due amounts.

**TAXES:** The Buyer, in addition to the contract price, shall assume and pay any and all sales, use, excise, license, property, and/or other taxes and fees together with any interest and penalties thereon and expense in connection therewith, growing out of, relating to, affecting or pertaining to, the sale of the property, services or other subject matter of said order, and Buyer shall indemnify Q-Card and save and hold it harmless from and against any such claim, demand or liability for any such tax or taxes and any interest or penalties thereon, and any expense in connection therewith.

**SHIPMENT:** If, for any reason beyond the control of Q-Card, shipment cannot be made when the material is ready for shipment, the material shall be invoiced to Buyer at the time the material is ready for shipment, and payment shall be then due in accordance with contract payment terms.

In the event Q-Card shall be unable to purchase and deliver items not manufactured by Q-Card, Buyer will accept billing for whatever Q-Card manufactured equipment is ready for shipment, except for any such purchased equipment and remit therefore even though the order may not be complete as to such items.

If at any time shipment is deferred or delayed at Buyer's request, payment for the goods shall be due to Q-Card at the time the same is ready for shipment and Buyer shall store the same at Buyer's risk and expense and, if Buyer fails or refuses to promptly store the same, Q-Card shall have the right to do so at Buyer's risk and expense.

**WARRANTY:** With respect to any goods covered by this offer or order manufactured by Q-Card, Q-Card warrants the goods to the original Buyer to be free of any original defect in material or workmanship at the time of delivery of the goods. This warranty does not apply to the extent the goods are damaged, in any fashion, during shipment from Q-Card's placement of shipment to Buyer's delivery location. The obligation under the warranty being limited to supplying the buyer F.O.B. Q-Card facility, replacement or repair of any goods or part thereof which shall be found to the satisfaction of Q-Card to be defective upon examination by its properly authorized representatives. All purchased items will be guaranteed only insofar as and to the extent that the manufacture of these items guarantees them to Q-Card.

**Modifications or damage to the product voids the warranty. Any modifications of the software/code voids the warranty**

Q-Card makes no other express warranty or affirmation of fact, by word or act, except as stated above and no other express warranty or affirmation of fact by word or act, except as stated above, is made or authorized by Q-Card; this warranty is expressly in lieu of all other warranties, liabilities or obligations Q-Card may have. THE DURATION OF ANY IMPLIED WARRANTIES, INCLUDING ANY IMPLIED WARRANTY OR MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, RELATING TO THE GOODS SHALL BE THE SAME AS AND LIMITED TO, THE PERIOD OF THE EXPRESS WARRANTY AS SET FORTH ABOVE. BUYER'S REMEDIES IN THE EVENT OF A BREACH OF ANY IMPLIED WARRANTY, INCLUDING ANY IMPLIED WARRANTY OR MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, SHALL BE THE SAME AS AND LIMITED TO THE BUYER'S REMEDIES IN THE EVENT THE GOODS FAIL TO CONFORM TO THE EXPRESS WARRANTY AS SET FORTH ABOVE.

Q-CARD DISCLAIMS LIABILITY FOR INDIRECT, INCIDENTAL, OR CONSEQUENTIAL DAMAGES, INCLUDING DAMAGES FOR PERSONAL INJURY OR PROPERTY DAMAGES OR FOR ANY DAMAGES ARISING FROM THE USE OR FAILURE OF THE GOODS OR ANY PART THEREOF. Q-CARD'S SOLE LIABILITY AND BUYER'S EXCLUSIVE REMEDY FOR ANY CLAIM AGAINST Q-CARD FOR ANY CAUSE WHATSOEVER, INCLUDING NEGLIGENCE OR BREACH OF AN IMPLIED WARRANTY OR MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, IRRESPECTIVE OF WHETHER SUCH DEFECTS ARE DISCOVERABLE OR LATENT, SHALL BE THE REPAIR OR REPLACEMENT SET FORTH ABOVE, OF THE GOODS OR PARTS THEREOF PROVING TO BE DEFECTIVE, AT Q-CARD OPTION OR THE RETURN OF THE PURCHASE PRICE. IN NO EVENT SHALL Q-CARD HAVE LIABILITY EXCEEDING THE PURCHASE PRICE PAID BY BUYER.

**INDEMNIFICATION:** Buyer shall use and shall require its employees to use all necessary safety devices, guards and proper safe operating procedures and shall comply with all safety recommendations as set forth in manuals and instruction sheets. Buyer

shall not remove or modify any such device or guard or warning sign. If Buyer fails to strictly observe each and every one of the obligations set forth in this paragraph with regard to any of Q-Card's products. Buyer agrees to indemnify and save Q-Card harmless from any liability or obligation incurred by Q-Card to persons injured directly or indirectly in connection with the operation of such products.

Buyer shall notify Q-Card promptly in any event, within 30 days of any accident, or malfunction involving Q-Card's products which results in personal injury or damage to property and shall cooperate fully with Q-Card in investigating and determining the cause of such accident or malfunction. In the event that Buyer fails to give such notice to Q-Card and so cooperate, Buyer agrees to indemnify and save Q-Card harmless from any claims arising from such accident or malfunction.

**INSTALLATION:** Unless otherwise provided in writing the prices stated in this order do not include installation or service by Q-Card. If such services are required, Buyer agrees to pay Q-Card's current prevailing rate per eight-hour day per person, plus transportation costs and living expenses.

**REPLACEMENT PARTS:** Replacement parts furnished to Buyer are built to Q-Card's engineering records unless otherwise specified by Buyer.

**PROPRIETARY DATA:** All manufacturing drawings, specifications and technical material submitted to Q-Card and all inventions and discoveries made in carrying out any transactions based thereon, are the property of Q-Card and are confidential and shall not be disclosed to or discussed with others. All such drawings, specifications and technical material and all models or samples submitted with this order or in carrying out any transaction based thereon shall be returned to Q-Card on demand.

Drawings and other descriptive matter furnished with this order, are not binding as to detail unless certified correct by Q-Card in acknowledging an order relating thereto.

Any modification of the software/code constitutes a derivation of the software/code under US Copyright laws, and all rights in any such derivations shall be owned by Q-Card.

However, the author of any such derivation shall automatically be granted a perpetual, royalty free, nonassignable license to use the modified software/code.

**AGREEMENT MODIFICATIONS:** The terms and conditions, herein contained and any other terms and conditions stated in Q-Card's proposal or specifications attached hereto, if any, shall constitute the complete agreement between Q-Card and the Buyer and shall supersede all prior oral and written statements or understandings of any kind whatsoever made by the parties or their representatives. No statement subsequent to the acceptance of this order purporting to modify the said terms and conditions shall be binding unless consented to in writing by a duly authorized agent of Q-Card.

**CHANGED QUANTITIES:** An increase in quantity of an order already scheduled will be priced as a separate new order for the amount of the increase. The quantity discount applicable will be determined by the number of added units, not the total quantity.

A reduction in quantity is a partial cancellation and the cancellation provisions listed will be applicable to the cancelled portion of the order.

**CANCELLATION:** This order shall not be countermanded, cancelled or altered by the Buyer, nor shall the Buyer otherwise cause the work or shipment to be delayed, except with the written consent and upon the terms and conditions approved by Q-Card in writing. Orders cancelled by such consent are subject to compensation for labor, materials, and overhead, plus 15%.

**QUOTATIONS:** All written quotations automatically expire within 30 days from the date quoted. Quotations must list the actual quantities involved to be binding.

Verbal quotations expire automatically within 24 hours after the conversation. All clerical errors are subject to correction.

**RETURNED PRODUCTS:** Many Q-Card products are built and/or adjusted to specific purchaser requirements. Such products are not considered by the Company as returnable for credit.

In instances where Q-Card considers the products standard and immediately salable, credit may be honored providing:

1. The amount of the credit is authorized by qualified personnel of Q-Card prior to the return shipment.
2. All transportation charges are prepaid.
3. Costs incurred by damage to the equipment prior to or during return shipments are acceptable to the sender as a corresponding deduction to the previously authorized credit.

**PLACE OF CONTRACT:** All orders are made subject to final acceptance by Q-Card at its designated office or manufacturing facility.

The conditions stated herein shall apply to and govern this order; and, in case of any inconsistency between said conditions and the provisions of your purchase order, the former shall prevail. Any conflict arising out of placing of any such order and the acceptance thereof as herein provided, shall be construed in accordance with the laws of the Commonwealth of Pennsylvania.