



TERMS OF SALE

GENERAL

The following terms and conditions, including those on the front of this document, shall constitute the entire Agreement for the purchase and sale of Faxon Engineering Co. Inc.'s products. Any acceptable contained herein is made expressly conditional upon the Purchaser's assent to the terms which are different from, in addition to, or vary the terms contained in the Purchaser's purchase order or request for quotations. Such assent shall be deemed to occur upon the failure of the Purchaser to object in writing specifically to such term or terms within 7 calendar days from the receipt hereof. Any terms and conditions contained in the Purchaser's purchase order or request for quotation which are different from, in addition to, vary Faxon Engineering Co. Inc. terms and conditions shall not be binding upon Faxon Engineering Co. Inc. hereby objects thereto.

CHANGES

Prior to the date of delivery of any product or products hereunder, the Purchaser shall have the right to make changes in its order provided that Faxon Engineering Co. Inc. receives written notice of the desired changes and accepts the same and provided further that the Purchaser accepts the additional charge therefor as determined by Faxon Engineering Co. Inc. Changes which interfere with or alter Faxon Engineering Co. Inc.'s production schedules will not be acceptable unless the time for performance is extended for such period as deemed necessary by Faxon Engineering Co. Inc. Failure of Faxon Engineering Co. Inc. to accept Purchaser's request to change its purchase order shall not be cause for Purchaser's cancellation of its order upon payment of a cancellation charge to be determined by Faxon Engineering Co. Inc.

CANCELLATION

(a) Faxon Engineering Co. Inc. shall have the absolute right to cancel this Agreement upon breach thereof by the Purchaser, failure by the Purchaser to make any payments required by this Agreement, or the insolvency or bankruptcy of the Purchaser.

(b) A Purchaser order or any part thereof which is hereby accepted by Faxon Engineering Co. Inc. may not be cancelled unless and until Faxon Engineering Co. Inc. receives written notice of the cancellation, has determined the additional charge to be made and the same has been accepted and paid by the Purchaser. Upon receipt of a notice of cancellation, Faxon Engineering Co. Inc. shall be entitled to take whatever action it deems necessary and advisable to minimize cancellation charges.

WARRANTY

(a) Faxon Engineering Co. Inc. warrants, except as hereinafter provided, each product sold hereunder which is assembled by it to be free from defects in assembly under normal use and service for a period of 30 days after shipment thereof to the original purchaser.

(b) FAXON ENGINEERING CO. INC'S WARRANTY EXTENDS ONLY TO PRODUCTS ASSEMBLED BY IT AND IS, TO THE EXTENT PERMITTED BY LAW, IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE AND ANY PRIOR WRITTEN OR ORAL REPRESENTATIONS REGARDING SUCH PRODUCTS MADE BY FAXON ENGINEERING CO. INC., ITS EMPLOYEES, AGENTS OR REPRESENTATIVES.

(c) PRODUCTS, OR COMPONENTS THEREOF, SUPPLIED BY ANY OTHER PARTY TO FAXON ENGINEERING CO. INC. WHICH ARE NOT ASSEMBLED BY FAXON ENGINEERING CO. INC. ARE COVERED ONLY BY THE INDIVIDUAL WARRANTY OF SUCH OTHER PARTY AND COPIES OF SUCH WARRANTIES WILL BE FURNISHED UPON REQUEST.

(d) Faxon Engineering Co. Inc. reserves the right to inspect products claimed defective under warranty either at the Purchaser's location or at main facility in Bloomfield, Connecticut. A defective product is not to be returned to Faxon Engineering Co. Inc.'s plant unless authorized by Faxon Engineering Co. Inc. Products so returned shall be returned to Faxon Engineering Co. Inc.'s plant, **freight prepaid**. Any product proving defective due to faulty assembly within 30 days from date of shipment will be replaced or repaired free of charge, F.O.B. Faxon Engineering Co. Inc.'s plant, Bloomfield, Connecticut. Faxon Engineering Co. Inc. assumes no liability for labor charges incidental to the adjustment service, repairing, removal or replacement of the product or other costs, or for the expenses of repairs made outside of its factory except when made pursuant to Faxon Engineering Co. Inc's prior to written consent. Faxon Engineering Co. Inc., at its option, may ship a replacement or replacements immediately under standard billing and make warranty adjustment after inspection of the defective product by means of credit memorandum.

DELAYS

Faxon Engineering Co. Inc. shall not be liable for damages or delays in performance due to circumstances beyond its reasonable control, including without limiting the generality of the foregoing, any priority system established by any agency of the United States Government, fires, floods, storms and other acts of god, accidents, strikes, insurrections, war, shortage of materials, lack of transportation and failure of performance of subcontractors and/or suppliers for similar reasons. Failure of Faxon Engineering Co. Inc. to perform these reasons aforesaid shall not be grounds for Purchaser's cancellation of its order but the delivery date shall be extended accordingly.

LIMITATION OF LIABILITY

No claim made hereunder by the Purchaser, whether as to goods delivered or for non-delivered or for non-delivery shall be greater than the purchase price of the goods in respect of which claim is made, and Faxon Engineering Co. Inc. shall under no circumstances be liable for consequential damages.