

STANDARD TERMS AND CONDITIONS OF SALE

- 1. ACCEPTANCE OF ORDER/ QUOTE.** All orders and quotes for materials, products, manufactures and goods (collectively "goods") sold hereunder are subject to prior acceptance and approval at Seller's principal business offices at the address shown on the reverse side hereof.
- 2. ACCEPTANCE OF GOODS AND PASSAGE OF TITLE.** Buyer shall have the obligation to inspect all goods before delivery thereof shall constitute an unequivocal acceptance of all of the goods. Any failure on the part of Buyer or its carrier to revoke its acceptance of the goods within 24 hours following such acceptance shall constitute an irrevocable waiver of all its rights to subsequently revoke such acceptance. Title to the goods shall pass to Buyer upon their delivery to Buyer or its carrier at the point of shipment. Neither Buyer, its carrier nor any cosignee of the goods shall have the right to divert or reconsign the goods to any destination other than specified herein or in the bill of lading for the goods without the express written permission of Seller.
- 3. PAYMENT.** All credit sales of the goods shall be subject to the express prior written approval of Seller's credit department. Seller reserves the right before making any delivery of the goods to require payment in cash or security for payment. If Buyer fails to comply with any such requirement or to make payments in accordance with the terms and conditions hereof, Seller may at its option, withhold and defer all further shipments of the goods without waiving any rights its may hereunder.
- 4. DELAYS.** Seller shall not be liable for any failure of or delay in delivery of the goods due to any inability on its part to secure the timely delivery of all or any part of the goods or any materials or components thereof, prior performances of government orders, labor strikes or shortages or failures of raw materials, supplies, fuel power or transportation, breakdowns of equipment, government, governmental regulations and/or orders, or any other causes beyond Seller's reasonable control, whether of a similar or dissimilar nature than those enumerated. In no event shall seller be liable for any direct, indirect or consequential damages or claims for labor resulting from any failure or delay in delivery whatsoever.
- 5. WARRANTIES.** Seller warrants title to the goods. Seller makes no other warranties whatsoever, express or implied, and all implied warranties of merchantability and fitness for a particular purpose are expressly disclaimed by seller and excluded from this quotation/ agreement.
- 6. BUYER'S REMEDIES.** Seller's liability hereunder shall be limited exclusively to its obligation to replace that portion of the goods proven to have failed to meet specifications or to have been defective in quality or workmanship at the time of their delivery, or, at Seller's option, to allow a reasonable credit therefore. Seller shall not be liable for any damages, losses, expenses, costs or liabilities which Buyer or any other party may incur or suffer as a result of any defect, insufficiency or failed failure of all or any part of the goods in an amount exceeding the purchase price for the defective, insufficient or failed portion of the goods. Except as is expressly provided to the contrary herein, Seller shall not be liable for any direct, indirect, or consequential damages arising out or caused by any defect, insufficiency or failure of all or part of the goods.
- 7. PATENTS.** Seller shall indemnify Buyer against reasonable damages awarded against Buyer in any finally adjudicated patent infringement suit brought in a court of competent jurisdiction against Buyer by any third person claiming that the goods infringe any valid and enforceable United States patent; provided, however, that the Buyer gives the Seller prompt notice of any such patent infringement suit, gives Seller an opportunity to defend such suit on behalf of Buyer, and fully cooperates with Seller with respect to such defense. Notwithstanding anything to the contrary herein, if the goods are produced, manufactured or sold by Seller in accordance with materials, designs or specifications required by Buyer, Buyer shall indemnify Seller for any and all liabilities, costs and expenses, including reasonable attorneys' fees, which Seller may incur or suffer in or as a result of any patent infringement suit in which it is claimed that the goods infringe any United States patent.
- 8. PERMISSIBLE VARIATIONS.** The goods sold hereunder shall be subject to the Seller's standard manufacturing variations, tolerances and classifications.
- 9. TECHNICAL ADVICE.** Seller has given Buyer no technical or engineering advice, and shall not be responsible for the representation of any of its employees with respect to any technical or engineering advice, in connection with the design, manufacture, transportation, installation or use of the goods.
- 10. TAXES.** All taxes imposed in respect to the sale of the goods shall be added to and paid to Seller as a part of the purchase price.
- 11. EXCLUSIVE JURISDICTION AND VENUE.** In the event that any dispute should arise with respect to any party's rights or obligations hereunder, the exclusive jurisdiction and venue therefore shall lie with the courts for the Third Judicial District for the State of Alaska, at Anchorage, Alaska, or alternatively, at Seller's option, with the United States District Court of the District of Alaska, at Anchorage, Alaska, unless Federal law should require the contrary.
- 12. COLLECTION COSTS.** In the event that Seller is required to bring and/ or prosecute any collection claims, proceedings suits or actions to collect all or any part of the contract price for the goods, Buyer shall pay Seller all of the reasonable attorneys' fees and legal costs which Seller incurs in bringing and/ or prosecuting any such claim, proceeding, suit or action.
- 13. ENTIRE QUOTE/ AGREEMENT.** This quote/ agreement represents the entire agreement between Seller and Buyer with respect to the subject matter hereof and supercedes all prior or contemporaneous agreements between the parties with respect to such subject matter.