

GENISCO FILTER CORP

STANDARD TERMS AND CONDITIONS OF SALE & WARRANTY

1. ACCEPTANCE OF OFFER

The offer will become void unless accepted by the Purchaser within 30 days of the date hereof unless otherwise specified in Genisco's offer. Purchaser's order must be signed by a duly authorized officer or his designee, must indicate acceptance of Seller's proposal. The resulting contract shall in all respects be governed and interpreted according to the Laws of the State of California. After acceptance, the Purchaser's right there under may not be transferred to any other party without the consent of the Seller. Any of the terms and conditions of the Purchaser's order which are in any way in conflict or inconsistent with, or in addition to the terms and conditions set forth herein shall not be binding on the Seller and shall not be considered applicable to the sale, unless expressly agreed to in writing by the Seller.

2. DELIVERY

2.1 Genisco Filter Corp. shall deliver the merchandise (EMI and RF Filters) purchased hereunder to a transportation company for shipment to Purchaser Ex Plant, San Diego, California. Costs of insurance and shipment beyond Ex Plant, San Diego, California, shall be paid by Purchaser. Delivery to a common carrier or licensed trucker shall constitute delivery to the Purchaser, and all risk of loss or damage in transit shall be borne by the Purchaser.

2.2 Shipping date is approximate and shall be as agreed by the purchase order and Genisco's acceptance thereof; subject to the timely presence of purchaser's representative when requested by Purchaser. The delivery date shall automatically be extended hereunder for any period resulting from causes beyond Seller's control or without Seller's fault or negligence including strikes, accidents, fires, or acts of God, price and availability of material, and all other causes beyond Genisco's control. Delays in delivery shall not be a breach of this contract provided the Goods are delivered within a reasonable time after the delivery date as may be extended. In any event, seller shall not be liable for any damage, loss, cost, or expense, including, but not limited to consequential or incidental damages caused by delays or defaults in deliveries. Buyer's sole and exclusive remedy for unreasonable delay as in delivery shall be the right to cancel the order.

3. LICENSE

Genisco will grant the Purchaser a royalty free non-exclusive license to use Genisco's products and technology. However, customer warrants that they or any third party associated with customer will not duplicate, copy, or in any way re-engineer or manufacture Genisco's products without prior written consent by Genisco.

4. PRODUCT ACCEPTANCE CRITERIA

Products covered by this proposal may be witnessed by Purchaser's authorized representative in Seller's plant prior to shipment and invoicing. When such inspection is performed by Purchaser's representative, such shall constitute final test and acceptance and procedures relating to such inspections. The inspection shall consist of a reasonable demonstration of the product to the specification contained in the proposal. Delays of such inspection procedures by the Purchaser's representative shall constitute waivers thereof, and final invoices shall be submitted as of the date the equipment is ready for such inspection.

5. PAYMENT

Purchaser shall pay Genisco the total price of this order within thirty (30) days of delivery unless otherwise specified by Genisco. A detailed payment schedule will be part of the quotation.

6. EXTRA COSTS

The total amount of this offer does not include any taxes, permit fees, assessments, inspection, and insurance or shipping costs whatsoever. Purchaser shall reimburse Genisco with respect to any such costs incurred by it under this order. Such costs due hereunder shall be paid by Purchaser upon receipt of billing by Genisco.

GENISCO FILTER CORP
**STANDARD TERMS AND CONDITIONS OF SALE
& WARRANTY**

7. OBLIGATION OF PURCHASER

It is the responsibility of the Purchaser to prepare and submit all applications and to obtain all licenses and permits as may be required by Federal, State and local laws and regulations in connection with the receipt, possession, use, installation, operation, transportation, handling and disposal of the components sold hereunder and materials contained therein.

8. WARRANTY

- 8.1 Genisco undertakes to correct defects in material or workmanship existing in the components of Genisco's products either at Genisco's election, (1) by repairing the defective component or part thereof, or (2) by making available, Ex Plant San Diego, a repair or replacement component or part thereof; provided that Purchaser has given Genisco written notice of the defect within 15 days after Purchaser knows or has reason to know thereof. All use of the Product must be suspended until written approval by Genisco is issued for continued operation provided that Genisco upon receipt of notice of a claimed defect will proceed without unreasonable delay to remedy any defect which is found to exist within the warranty.
- 8.2 Genisco shall have no liability or responsibility with respect to defects in materials or workmanship which arise out of or result from (1) failure to properly maintain, operate or care for Genisco Products or any part thereof, or (2) normal wear and tear, or deterioration, as determined by the state-of-the-art at the time of sale, or (3) misuse or abuse, including operation at Voltage or Temperature settings greater than specified.
- 8.3 It is the responsibility of the Purchaser to establish the suitability of Genisco Product(s) for performing the proposed work and any participation by Genisco in establishing such suitability is of an advisory nature unless otherwise stated in writing.
- 8.4 Genisco receives warranties on certain commercially available components purchased from other manufacturers or vendors. Genisco's obligations with respect to such components shall be limited to the warranties extended by the manufacturer or vendor of these components.
- 8.5 This warranty extends for twelve (12) months from date of shipment from the Genisco plant or from date of assignment to storage at Purchaser's request.
- 8.6 In making adjustments under this Article, Genisco may require Purchaser to furnish operating records of the Genisco Products.
- 8.7 Under no circumstances shall Genisco be held responsible for consequential damage to the property of the Purchaser or other persons or for injury to or death of any person.
- 8.8 Under no circumstances shall Genisco be held responsible for consequential damage due to delay in shipment as outlined in Section 1.
- 8.9 The express warranties and remedies set forth in this paragraph are exclusive, and no other warranties or remedies of any kind, whether statutory, written, oral, expressed or implied (including warranties for a particular purpose and/or merchantability) shall apply. Genisco's sole and exclusive remedies with respect to defect in material or workmanship shall be repair or replacement. In no event shall Genisco be liable, in contract or in tort, for any special, incidental, or consequential damages. The provisions of this paragraph shall apply, notwithstanding, any other provisions and shall apply to the full extent permitted by law and regardless of fault. Material alteration or modification of the Genisco Product(s) without the written consent by Genisco shall void all warranties.

GENISCO FILTER CORP
**STANDARD TERMS AND CONDITIONS OF SALE
& WARRANTY**

9. DESIGN CHANGES

Genisco reserves the right to make changes in the design of their Products if such changes, in its opinion, tend to improve the performance or otherwise benefit the Product.

10. RESPONSIBILITY

Genisco shall not be liable for prospective profits or special indirect or consequential damage, nor shall recovery of any kind against Genisco be greater in amount than the purchase price of the specific Product(s) sold and causing the alleged damage. Purchaser shall hold Genisco free and harmless from all risk and liability for expense, loss, damage, or injury to persons or property of Purchaser or others arising out of use or possession of any material sold hereunder.

11. ASSIGNMENTS

The Purchaser may not assign this Agreement without the prior written consent from Genisco.

12. FORCE MAJEURE

Genisco shall not be considered in default in performance of its obligations hereunder to the extent that performance is delayed or prevented by causes beyond their control or without the fault of Genisco including causes such as acts of God, hostilities, strikes, fire, flood, sinking of vessels, acts of the Purchaser, including delay in performing its obligation, or because or by reason of any law, proclamation, regulation, or ordinance or any government or governmental agency.

13. SUCCESSORS

This Agreement and the covenants herein contained shall be binding upon and inure to the benefit of the successors and assign of each party.

14. EFFECTIVE DATE

The effective date of this Agreement will be the date the order to purchase and the acceptance of the purchase order is signed by Purchaser and Genisco.

15. CANCELLATIONS

In the event of a request to stop work or to cancel the whole or any part of an order, the Purchaser shall make payment to Genisco as follows:

15.1 Any and all work that can be completed within 30 days from date of notification to stop work on account of cancellation shall be completed, shipped, and paid for in full.

15.2 For work in process and any materials and supplies procured or for which definite commitments have been made by Genisco in connection with the order, the Purchaser shall pay Genisco the actual costs including burdens determined in accordance with good accounting practice, plus 20%.

16. APPLICABLE LAW

This Agreement is entered into in the State of California and shall be interpreted in accordance with the laws of the State of California.

Genisco Filter Corp
5466 Complex St , Ste 207
San Diego, CA 92123
858 565-7405 phone
858 565-7415 fax
sales@genisco.com
www.Genisco.com