

Standard Terms and Conditions of Sale

These terms and conditions govern the sale of Products (“Products”) and provisions of services (“Services”) by PULSTEC USA INC. located at 21535 Hawthorne Blvd. Suite375, Torrance, CA ("Manufacturer") and “Buyer”.

1. Products.

As used in this Terms and Conditions, "Manufacturer's Products" shall mean the products, related service parts and accessories manufactured and/or sold by Manufacturer as follows: μ -X360 series, non-destructive residual stress analyzer.

2. Orders.

Buyer shall issue its Purchase Order and shall send to Manufacturer by either facsimile or Email. Manufacturer will accept/reject any order by giving notice within seven (7) days after receipt.

Orders, after acceptance by Manufacturer, may not be cancelled.

Orders, after acceptance by Manufacturer, may not be rescheduled without Manufacture's written consent.

All orders must identify the products, unit quantities, part numbers, applicable prices and requested delivery dates of the Products being purchased.

3. Prices.

Product price will be identified in Manufacturer's quotation which is provided upon Buyer's written request.

Product price and specifications can be changed by Manufacturer at any time upon notification.

4. Taxes.

All prices quoted are exclusive of transportation and insurance costs, duties, and all taxes including federal, state and local sales, excise and value added, goods and services taxes, and any other taxes.

California Sales Tax:

All orders must be accompanied by a resale permit or other evidence that the sale is exempt from California sales tax. Unless this is received, Buyer will be charged sales tax which will be added to Buyer invoice.

5. Payment.

Buyer shall pay all charges due within thirty (30) days after the date of Manufacturer's acceptance of Buyer's Purchase Order.

Late fee will be charged if full payment is not made as required. Late fee will be 2% of the invoice amount. Future orders will be rejected if an unpaid balance exists.

6. Delivery and title.

Lead-time is normally forty-five (45) days after Buyer's Purchase Order is accepted by Manufacturer.

Buyer is responsible for all freight charges from Manufacturer's warehouse, now located in Torrance, CA. With Buyer's order, Buyer shall provide Buyer's account number for the carrier Buyer will use and Manufacturer will bill shipping costs to Buyer account. Manufacturer will not advance any shipping costs.

Although Manufacturer will do its best to meet Buyer delivery time requirements, Manufacturer cannot guarantee delivery by the agreed upon date. Should Manufacturer expect a delay in shipment, it shall promptly notify Buyer.

The Product shall be packaged in Manufacturer's standard packaging. Other packaging will be charged to Buyer.

7. Acceptance / Returns.

Buyer shall perform all inspections and tests as promptly as possible but in no event later than seven (7) days after Buyer's receipt of Product, time is of the essence. Should no timely objection be received by Manufacturer, Buyer will be deemed to have irrevocably accepted the Products.

Any discrepancy in shipment quantity must be reported within seven (7) days after delivery. Buyer may not return any Products unless the item is defective or there is a mis-shipment.

8. Warranty.

Warranty term for Products is 12 month after delivery to Buyer. Spare parts are warranted to be free from defects in materials and workmanship for three months from date to delivery to Buyer. In the event that the Product or spare part is defective in materials or workmanship, Manufacturer shall pay for the parts, labor and other cost for the repair or may replace the Product or spare part, at its option. All warranty repair work shall be conducted at Manufacturer's location. Manufacturer will pay shipping costs to receive and return the defective item. However, if the item is not defective or not covered by this warranty, all transportation costs shall be borne by Buyer. If Buyer requires the repair be done at its location, Manufacturer's consent and Buyer's agreement to pay costs to effect such repair is needed.

Proof of purchase is required for all warranty claims. This warranty covers only items sold to Buyer.

This warranty excludes consumable or expendable parts such as two dimension sensor, sensor cover and x-ray tube.

This warranty also does not apply if the Product or spare part has been damaged or rendered defective as a result of any Act of God, accident, abuse, external causes or events, misuse, improper installation, neglect or misapplication, unauthorized alteration or modification, has been serviced or repaired by anyone other than Manufacturer or an authorized reseller or authorized service provider, has not been

properly maintained or operated according to the operator's manual, has been exposed to water, the security seal is broken, or if the serial number for the Product or spare part has been removed or defaced, exposure to excessive temperature or humidity, or exposure to extreme environmental or weather conditions

ALL IMPLIED WARRANTIES, INCLUDING IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, ARE LIMITED IN DURATION TO THE WARRANTY PERIOD.

NEITHER MANUFACTURER NOR ITS AFFILIATES ARE RESPONSIBLE OR LIABLE FOR ANY LOSS, INCONVENIENCE OR DAMAGE, WHETHER SPECIAL, EXEMPLARY, DIRECT, INCIDENTAL, CONSEQUENTIAL OR OTHERWISE, AND WHETHER KNOWN OR SHOULD HAVE BEEN KNOWN TO MANUFACTURER, INCLUDING DAMAGE TO OR REPLACEMENT OF OTHER EQUIPMENT AND PROPERTY AND PERSONAL INJURY RESULTING FROM ANY BREACH OF WARRANTY, THE INABILITY TO USE THE PRODUCT OR SPARE PART OR UNDER ANY LEGAL THEORY IN CONTRACT OR TORT. THESE WARRANTIES AND REMEDIES ARE THE SOLE AND EXCLUSIVE WARRANTIES AND REMEDIES GIVEN BY MANUFACTURER IN CONNECTION WITH THE SALE AND USE OF THE PRODUCT OR SPARE PART. NO OTHER WARRANTIES, ORAL OR WRITTEN, EXPRESS OR IMPLIED, ARE GIVEN.

IN ANY EVENT, MANUFACTURER'S ENTIRE LIABILITY SHALL BE LIMITED TO THE ACTUAL PURCHASE PRICE YOU PAID TO THE RETAIL SELLER OF THE DEFECTIVE PRODUCT OR SPARE PART. THIS LIMITATION APPLIES WHETHER DAMAGES ARE SOUGHT OR A CLAIM MADE, UNDER THIS WARRANTY OR AS A TORT CLAIM (INCLUDING NEGLIGENCE AND STRICT PRODUCT LIABILITY), A CONTRACT CLAIM OR ANY OTHER CLAIM. THIS LIMITATION CANNOT BE WAIVED OR AMENDED BY ANY PERSON. THIS LIMITATION OF LIABILITY IS EFFECTIVE EVEN IF MANUFACTURER OR ANY AUTHORIZED REPRESENTATIVE OF MANUFACTURER HAS BEEN ADVISED BY YOU OF THE POSSIBILITY OF SUCH DAMAGES. THIS LIMITATION OF LIABILITY, HOWEVER, SHALL NOT APPLY TO CLAIMS OF PERSONAL INJURY.

9. Services.

Manufacturer will provide its usual level of technical service and support to Buyer with the first purchase of Product at Buyer's location. Should Buyer request additional support, the cost thereof will be quoted upon receipt of each such request and such support shall be provided upon receipt of Buyer's agreement to pay. Technical service may be provided over the phone, normally without charge.

Buyer shall provide technical service support to its customers.

Spare parts will be provided for 5 years after Product's manufacturing is terminated. Spare parts pricing will be provided upon request. Payment is due within 15 days after delivery of spare parts.

10. Limitation of Liabilities.

MANUFACTURER SHALL NOT BE LIABLE FOR, LOSS OF PROFITS OR REVENUE, PROMOTIONAL OR MANUFACTURING EXPENSES, OVERHEAD, BUSINESS INTERRUPTION COST, LOSS OF DATA, LOST PROFITS, REMOVAL OR REINSTALLATION COSTS, INJURY TO REPUTATION, PERSONAL INJURY OR INJURY TO PROPERTY, PUNITIVE DAMAGES, IPR INFRINGEMENT, LOSS OF CONTRACTS OR ORDERS AND ANY OTHER INDIRECT, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES OF ANY NATURE. ANY CLAIM SHALL NOT EXCEED THE PURCHASE PRICE PAID FOR THE AFFECTED PRODUCTS IRRESPECTIVE OF THE NATURE OF THE CLAIM WHETHER IN CONTRACT, TORT, WARRANTY, OR OTHERWISE. BUYER WILL INDEMNIFY, DEFEND AND HOLD MANUFACTURER HARMLESS FROM ALL CLAIMS BASED UPON THE MODIFICATION OF THE PRODUCTS BY ANYONE OTHER THAN MANUFACTURER OR DUE TO THE USE OF THE PRODUCT IN COMBINATION WITH NON MANUFACTURER PROVIDED ACCESSORIES.

11. Confidentiality.

From time to time, Manufacturer shall disclose confidential information to Buyer. Buyer will: (a) limit disclosure of any confidential information to its directors, officers, employees, agents or representatives who have a need to know such confidential information in connection with the current or contemplated business relationship between the parties to which this Agreement relates, and only for that purpose; (b) advise its representatives of the proprietary nature of the confidential information and of the obligations set forth in this Agreement and require such representatives to keep the confidential Information confidential; (c) shall keep all confidential information strictly confidential by using a reasonable degree of care, but not less than the degree of care used by it in safeguarding its own confidential information; and (d) not disclose any confidential information received by it to any third parties. At Manufacturer's request, all such confidential information and all documents containing such information shall be promptly returned to Manufacture.

12. Rejection of Other Terms and Conditions Regarding Sale of Products.

Manufacturer automatically rejects all different or additional terms Buyer may insert in Buyer's Purchase Order, except as specifically accepted by Manufacturer in writing. If Buyer includes or attaches any different or additional terms in its Purchase Order, those different or additional terms will not be part of any sale to Buyer. All sales will only be upon the terms and conditions as stated in this document or in a document which Manufacturer has signed.

13. Governing Law.

This Agreement and the relationship between the parties are governed by and construed in accordance with the laws of California, applicable to contracts made and to be performed

within said state, without the application of its "choice of laws" provisions. Venue of any action between the parties shall be Los Angeles, CA to which all parties agree. In addition, service of process may be effected by personal service, service via electronic mail or service via registered or certified mail, RRR, on any officer or principal of a party. The prevailing party in any action shall be awarded its reasonable attorney's fees and court costs in any action between the Parties arising out of their relationship or agreement.

14. Attorney's Fees and Waiver of Jury.

The prevailing Party in any action shall be awarded its reasonable litigation fees and expenses, including reasonable attorneys' fees, expert witness fees and expenses.

The Parties waive their respective right to trial by jury of any cause of action, claim, counter claim or cross complaint in any action, proceeding, arbitration and/or hearing brought by either Party against the other on any matter whatsoever arising out of, or in any way connected with this Agreement, the relationship of the Parties created by this Agreement, or associated with said relationship, the performance of either Party under this Agreement or any claim of injury or damage, or the infringement of any remedy under any law, statute or regulation.//////////