

1. Acceptance of Terms and Conditions

Goods sold by Quad-R Inc dba RAE Products hereinafter referred to as "Seller", to customer, hereinafter referred to as "Buyer", are expressly subject to these terms and conditions set forth below, which shall constitute the entire final and exclusive statement of the agreement between the parties ("Sales contract"). Any proposal for different or additional terms and conditions contained in any prior oral or written communication, including, without limitation, Buyer's purchase order, are hereby objected to and rejected, but such proposal shall not operate as a rejection of this agreement unless such variances are in the terms of the description, quantity, price or delivery schedule of the goods and/or services but shall be deemed a material alteration thereof, and this agreement shall be deemed accepted by Buyer without said additional or different terms. The Seller may, from time to time, change or supplement these terms and conditions.

2. Price and Payment Terms (a) The prices payable by Buyer for goods and services to be supplied by Supplier under this Agreement will be specified in the applicable Order. Unless otherwise expressly stated in an Order, all prices exclude shipping and taxes. (b) Payment terms are net thirty (30) calendar days from the date of the invoice. If Buyer does not pay an invoiced amount within terms, Buyer will in addition pay finance charges of one and one-half percent (1.5%) per month on the late balance and Supplier reserves the right to (1) withhold shipment of the Work until full payment is made; and/or (2) revoke any credit extended to Buyer. In the event that Buyer's account is more than ninety (90) days in arrears, Buyer shall reimburse Supplier for the reasonable costs, including attorneys fees, of collecting such amounts from Buyer. In the event of any dispute regarding an invoice, no finance charges will apply in the event that Buyer provides written notice of the dispute prior to the due date for such payment

3. Shipment

Unless otherwise noted, all sales of goods are made F.O.B. point of manufacture and, in all cases, title and risk of loss or damage shall pass upon Buyer with delivery to the carrier at point of shipment. Seller reserves the right of carrier selection. Delivery dates given in advance of actual shipment of goods or performance of services are estimates and shall not be deemed to represent fixed or guaranteed delivery dates. Buyer is required to examine all shipments upon arrival to ascertain condition. If any shortages or damages occurred in transit, Buyer must file claim with the carrier within 10 days. Seller will notify customer of backorders beyond the date of planned delivery.

4. Limited Warranty

Seller warrants that the goods and/or services sold by it are free from defects in material and/or workmanship. All items to be replaced may only be returned to Seller within the warranty period in the event a RMA has been obtained from the Seller. THIS WARRANTY SHALL BE IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. IN NO EVENT SHALL SELLER BE LIABLE FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES. Seller's employees or representatives' oral or written statements, or any description or specification of goods or any other written statements do not constitute any warranty. This Limited Warranty states the entire obligation of Seller with respect to the goods and/or services.

5. Limitation of Liability

Seller's liability on any claim for loss or damage arising out of this contract or from the performance or breach thereof or connected with any goods or services supplied hereunder, or the sale, resale, operation or use of goods, whether based on contract, warranty, tort (including negligence) or other grounds shall not exceed the price allocable to such goods or services or part hereof involved in the claim regardless of cause or fault. Seller shall not under any circumstances be liable for any labor charges without its prior written consent. In no event shall Seller be liable for any incidental or consequential damage, including but not limited to, loss of profits or revenue, loss of use of products or associated product, cost of capital, cost of substitute products, facilities or services, downtime costs, or claims of customers of Buyer for such damage.

6. Governing Law

This Agreement shall be governed by and construed according to the laws of the State of Tennessee.

7. Severability

If any provision of this Agreement is held to be invalid by a court of competent jurisdiction, then the remaining provisions shall nevertheless remain in full force and effect.

8. Force Majeure

Seller shall not be liable for failure to deliver or for delay in delivery or performance due to (i) a cause beyond its reasonable control, (ii) an act of God, act or omission of Buyer, act of civil or military authority, governmental priority or other allocation or control, fire strike or other labor difficulty, riot or other civil disturbance, insolvency or other inability to perform by the manufacturer, delay in transportation, or (iii) any other commercial impracticability. If such a delay occurs, delivery or performance shall be extended for a period equal to the time lost by reason of delay.

9. Indemnification

Buyer hereby (1) waives, releases and discharges any and all claims with the exception of claims for breach of this sales contract of every kind, including, but not limited to, injury or death of any person or damage to property, which it may have at any time against Seller, its agents or employees, by reason of or arising out of any condition of or defect in the goods and (2) covenants to indemnify and hold harmless Seller, its agents and employees from and against any and all loss, damage, expense, claims, suits, costs of defense, including attorney's fees which Seller or any or its agents or employees may sustain or incur at any time for or by reason of any injury to or death of any person or persons or damage to any property arising out of any condition of or defect in the goods.

10. Entire Agreement

This Agreement sets forth the entire agreement and understanding of the parties relating to the subject matter herein and supersedes any prior discussions or agreements between them. No modification of or amendment to this Agreement, nor any waiver of any rights under this Agreement, shall be effective unless in writing, duly executed by both parties.