

INNOTEK CORPORATION TERMS AND CONDITIONS OF SALE AND SERVICE

1. TITLE. Subject to Innotek Corporation ("Innotek") right of stoppage transit, title to all products sold hereunder, shall pass to CUSTOMER upon delivery thereof, F.O.B. railroad car or common carrier truck, as the case may be, Innotek's shipping point as designated.
2. DELIVERY TERMS/RISK OF LOSS. Innotek does not guarantee time of delivery; however, Innotek shall make every effort to deliver orders at the time requested. No delivery delay will be honored to support a charge-back or claim for damages. Each shipment shall be made at CUSTOMER'S risk and Innotek shall have no liability for damage to the products after delivery to the carrier.
3. FORCE MAJEURE. Innotek shall not be liable for failure or delay in delivery or service occasioned by fire, storm, flood, earthquake or other Act of God, labor disturbance, accident or any other cause beyond Innotek's control.
4. LIMITED WARRANTY AND DISCLAIMER. Innotek warrants that its products will be free from manufacturing defects for a period of 90 days and that its services shall be in compliance with industry standards. This Warranty is expressly limited such that the liability of Innotek over the life of the Warranty shall not exceed in aggregate a sum greater the original purchase price of the Innotek supplied product(s) or invoice for the requested service. This Warranty expressly excludes any damages attributable in whole or in part to defects and/or inaccuracies in designs or specifications provided to Innotek by third parties including CUSTOMER. This Warranty expressly excludes any guarantee as to projected performance level of the product(s) sold or services provided hereunder.

BEYOND THE FACE HEREOF, INNOTEK MAKES NO EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTY OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. THE TERMS AND CONDITIONS OF THIS WARRANTY SHALL BE THE SOLE AN EXCLUSIVE REMEDIES OF THE CUSTOMER OF THE PRODUCTS MANUFACTURED BY INNOTEK OR THE SERVICES PROVIDED BY INNOTEK AND THE CUSTOMER SHALL BE ENTITLED TO NO FURTHER OR ADDITIONAL REMEDIES. CUSTOMER HEREBY EXPRESSLY WAIVES ANY AND ALL CLAIMS FOR DAMAGES, WHETHER DIRECT OR INDIRECT, CONSEQUENTIAL OR INCIDENTAL, INCLUDING PROPERTY DAMAGE, PERSONAL INJURY DAMAGE TO THE CUSTOMER OR THIRD PARTIES, LOSS OF BUSINESS OR PROFITS OR LOSS OF BUSINESS REPUTATION. IT IS THE SOLE RESPONSIBILITY OF CUSTOMER TO DETERMINE THE SUITABILITY OF INNOTEK PRODUCTS AND SERVICES IN THE CUSTOMER'S INTENDED USE.

This Warranty constitutes the entire warranty and Innotek is not bound by any oral expression or representation made by an agent or party purporting to act for or on behalf of Innotek. This Warranty and Innotek's liability hereunder shall be construed pursuant to the laws of the State of Minnesota. Any dispute arising hereunder shall be heard in the Hennepin County District Court, State of Minnesota.

5. WARRANTY LIMITATIONS AND EXCLUSIONS. Innotek's liability hereunder is limited to repair or replacement, at Innotek's sole option of the product found to be defective in material or workmanship. ANY MODIFICATION OR ALTERATION OF THE PRODUCT NOT AUTHORIZED IN WRITING BY INNOTEK SHALL OPERATE TO IMMEDIATELY VOID THIS WARRANTY IN ALL RESPECTS, AT WHICH TIME THE PRODUCT(S) ARE DEEMED SOLD AS IS. Further, Customer, by its acceptance of the product or service, warrants the same will be utilized or installed in a suitable operating environment.
6. DELINQUENCY CHARGES. A one and one-half percent (1.5%) per month delinquency charge is applicable to all commercial accounts not paid when due. Customer shall pay all collection charges, including Innotek's attorneys' fees, should Customer fail to pay amounts due Innotek.
7. LIMITATION OF AUTHORITY. The conditions of sale or service appearing on any order shall control and may not be abrogated, varied, modified, supplemented or waived except with the written approval of an authorized representative of Innotek.
8. MODIFICATION OF TERMS OF SALE OR SERVICE. These Terms and Conditions of Sale or Service cancel and supersede all previous issues, supplements and revisions and are subject to change without notice.