Terms and Conditions

GENERAL TERMS: The terms and conditions stated herein shall govern all sales of products (including software and/or services) made by Pinnacle Technology, Inc. ("Pinnacle"), regardless of the terms and conditions stated in any purchase order submitted by the purchaser ("Purchaser"). Pinnacle hereby disclaims and rejects any terms and conditions appearing in a purchase order from Purchaser that are in addition to, or inconsistent with, the terms and conditions stated herein. Any such additional or inconsistent terms and conditions shall not be a part of the contract and shall not be binding on Pinnacle. The terms and conditions stated herein shall govern over any contrary terms in Article 2 of the Uniform Commercial Code or the INCOTERMS of the International Chamber of Commerce.

INTENDED USE: Pinnacle's products are intended, designed and manufactured SOLELY for use in animals for scientific research purposes and are not intended for any clinical, therapeutic, diagnostic, or any other medical or veterinary use. Purchaser shall use Pinnacle's products only for Purchaser's own research requirements in accordance with the aforementioned intended use. **WARNING:** This product has not been registered with the Food and Drug Administration for use in humans. It is a misuse of this product, and a possible violation of the law, to use this product in humans.

PURCHASE ORDERS: In general, no Pinnacle products will be shipped until Purchaser has submitted a written purchase order. Purchase orders shall state: the Pinnacle products ordered, including model numbers, if applicable; quantity; requested delivery dates; billing address; shipping address; and shipping instructions. Web orders or telephone orders with a valid credit card will be accepted for shipment with the information above.

CANCELLATIONS: Purchaser's purchase orders shall not be subject to cancellation, changes or reductions in amount, or suspension of deliveries except upon Pinnacle's consent and upon terms which indemnify Pinnacle against loss.

QUOTATIONS: Unless otherwise stated, all Pinnacle quotations are valid for a period of thirty (30) days from the date of quotation.

DELIVERY TERMS: Delivery terms (per INCOTERMS 2010) for products FOB Lawrence, Kansas U.S.A. All freight and handling charges will be charged to customer or, when applicable, added to the invoice.

DELIVERY DATE: Any date of delivery furnished by Pinnacle to Purchaser is determined from the date of Pinnacle's receipt of Purchaser's purchase order and its agreement to payment terms as shown below. This date is only an estimate of the date of delivery and is not a guarantee of a particular delivery date. Pinnacle shall not be liable for a failure or delay in shipment.

ERRORS OR OMISSIONS: Errors or omissions in any Pinnacle quotation, acceptance, specification or other document shall be subject to correction at Pinnacle's discretion.

PAYMENT TERMS: Payment terms are net thirty (30) days from the date of the invoice. All payments shall be made in the US Dollars and may normally be made by check, credit card or electronic payment. All Distributors and Resellers or if Pinnacle reasonably believes that Purchaser's financial condition compromises the ability to make timely payment per this

paragraph, Pinnacle will postpone the delivery of products and condition shipment of products on full advance payment.

TAXES AND OTHER CHARGES: Purchaser is responsible for all sales, VAT, or related taxes applicable to the purchase of Pinnacle products. PINNACLE will add such taxes to the invoice where required under law and Purchaser will be responsible for payment of such taxes, unless Purchaser provides to PINNACLE a valid exemption certificate or other document acceptable to the authority imposing the tax. Purchaser is responsible for all duties and other government fees applicable to the purchase and import of Pinnacle products.

SECURITY INTEREST: Purchaser hereby grants to Pinnacle, and Pinnacle hereby reserves, a security interest in the products to secure Purchaser's obligation to pay the invoice amount. Purchaser agrees to cooperate in all respects in order that Pinnacle may perfect such security interest. Pinnacle shall release the security interest upon payment in full of the invoice amount.

SHIPPING METHOD: Unless otherwise requested in writing by Purchaser, all Pinnacle products will be shipped by whatever means and carrier that Pinnacle considers to be the most appropriate method of transportation. Risk of loss shall pass to Purchaser upon delivery by Pinnacle to the carrier.

PRODUCT CONTROL: Unless otherwise specified upon Pinnacle's acceptance of purchase order, all products are produced in accordance with Pinnacle's standard production processes. Specifications provided in Pinnacle's literature are subject to change without notice. Pinnacle reserves the right to add, delete, alter of modify products at its discretion.

SOFTWARE LICENSE: All Pinnacle software provided with Pinnacle products shall be subject to Pinnacle's standard Software License Agreement, which shall govern all use of such Pinnacle software.

Installations and On-site Trainings: Any installation and/or training services purchased must be used within twelve (12) months from the date the order is placed or the invoice date if products are purchased along with the services. If the installation and/or training has not been completed within twelve (12) months, and the delay is not caused by Pinnacle, Pinnacle will consider the installation and/or training to be closed. If the installation and/or training has been previously invoiced, the amount invoiced will be forfeited by the Purchaser. If the installation and/or training has not been previously invoiced, the open amount on the order related to the installation and/or training services will be cancelled. If installation and training is still desired after the twelve (12) month time period, it can be purchased at the current price.

CUSTOM ORDERS: All custom orders must be specified in writing and are subject to Pinnacle's express acceptance. Furthermore, Purchaser shall, with respect to custom orders produced according to Purchaser's specifications, defend Pinnacle at Purchaser's expense and pay all costs and damages of any kind (including Pinnacle's attorney's fees) incurred by Pinnacle as the result of any suit or other legal proceeding against Pinnacle for infringement of any letters, patents, trademarks, copyrights, or other rights by reason of use of such specification, provided Pinnacle promptly notifies Purchaser in writhing of such claim of, or suit for, infringement and tenders the defense thereof to Purchaser. Additionally, at Pinnacle's option, Pinnacle may be separately represented in any such suit at Pinnacle's own expense.

PURCHASER'S DUTIES: By accepting delivery of any Pinnacle product, the Purchaser agrees to use that product only for its Intended Use. The Purchaser assumes, without limitation, all risk of injury, damage, or otherwise arising out of any use other than the Intended Use of a Pinnacle product.

RESALE: The Purchaser agrees to assume all liability arising out of any use other than the Intended Use of a Pinnacle product by any third party who has directly or indirectly obtained the product from the Purchaser. In addition, the Purchaser agrees to indemnify, defend, and hold harmless Pinnacle against all inquiries, claims, damages, actions, causes of action, injuries, and litigation arising out of any use other than the Intended Use of a Pinnacle product purchased by the Purchaser.

NOTIFICATION OF COMPLAINTS: Purchaser shall notify Pinnacle's Sales Department within ten (10) days of receipt of Pinnacle products regarding any defect or deficiency therein, including questions regarding the invoice, mis-shipments or lost or damaged shipment. Failure to provide such notice to Pinnacle shall be deemed acceptance of such Pinnacle products as complete and satisfactory to Purchaser.

RETURNS: Purchaser shall contact Pinnacle's Sales Department to return any unused, loaned, or damaged Pinnacle product. Purchaser shall obtain the appropriate forms from Pinnacle prior to returning any such product. Items returned without proper Pinnacle forms will be delayed in processing. Pinnacle, at its discretion, may charge a restocking fee for products returned for reasons other than warranty or repair.

WARRANTIES: ONLY THE EXPRESS LIMITED WARRANTIES SET FORTH IN PINNACLE'S STANDARD WARRANTY POLICY SHALL APPLY TO PINNACLE'S PRODUCTS. PINNACLE HEREBY DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. Pinnacle's standard warranty policy covering any Pinnacle products shall be <u>NULL</u>, <u>VOID</u>, <u>AND OF NO EFFECT</u> if the purchaser or any third party uses that product for any use other than the intended use of that product.

GOVERNING LAW: Kansas law, excluding its choice of law rules, shall be controlling for all purposes regarding any claim or dispute between Pinnacle and Purchaser. The sole and exclusive forum for any action commenced by Purchaser shall be in a state or federal court in Kansas.