

Integrated Services, Inc. (ISI) Standard Terms and Conditions of Sale

1. Parties Contract

Any order placed by Buyer, whether oral, written, facsimile, e-mail or mail shall be deemed to constitute an offer to enter into a contract to purchase Integrated Services, Inc. (Seller) products and is specifically subject to the Terms and Conditions of Sale as stated below, and Buyer accepts said Terms and Conditions of Sale upon issuing a purchase order for the services, equipment, and/or machinery (Goods). In the case of conflict between these Terms and Conditions of Sale and the Buyer's Purchase Order, confirmation forms or other documents, these Terms and Conditions of Sale shall prevail. Shipment or other performance by Integrated Services, Inc. shall not constitute assent to any such inconsistent or additional terms or conditions. These Terms and Conditions of Sale may be modified only when the modification is referenced to a specific paragraph number of these Terms and Conditions of Sale, and is agreed to, in writing, by Seller. Any offer is expressly conditional on Buyer's assent to these Terms and Conditions of Sale and Integrated Services, Inc.'s Terms and Conditions as stated in the signed and dated proposal.

2. Errors

Integrated Services, Inc. reserves the right, upon notice to Buyer, to correct miscalculations, omissions, and typographical errors on any quote, offer or proposal.

3. Order Acceptance

All customer orders given pursuant to a quotation shall not constitute a contract until same has been received at the office of Integrated Services, Inc. along with the required down payment and accepted by it in writing. Integrated Services, Inc. reserves the right to modify any quotation until such acceptance. Any change in the Terms and Conditions of Sale set forth herein shall be void and there shall be no warranties or agreements implied or expressed, except as herein stated. No change in the terms hereof shall be binding on Integrated Services, Inc. unless accepted by it in writing. Stenographic and clerical errors in any Integrated Services, Inc. quotation, proposal, acknowledgment or invoice are subject to correction. At Integrated Services, Inc. discretion, any order may be subject to a Uniform Commercial Code filing. It is the sole responsibility of the Buyer to ensure the equipment being proposed meets all Local, State and Federal requirements for the intended use. Seller shall not be held liable for any costs associated with bringing the equipment into conformance after the order has been placed and accepted. Changes to the proposal required to meet these requirements must be submitted to the Seller in writing. A new proposal will be provided, if feasible, for equipment that includes the required changes. If said changes are submitted to the Seller after the order has been placed and accepted, the Buyer is responsible for all costs and charges associated with the modifications or changes required for the system to meet the stated requirements. If the required changes make it unfeasible or are beyond the scope of the Seller to modify the system, Buyer shall be subject to the terms outlined in Section 20 below.

4. Payment Terms

The Buyer shall pay to the Seller for such services, equipment and/or machinery and options as set out in our proposal in currency of the United States of America. The Seller reserves the right at any time to suspend credit, or to change credit terms provided herein when, in its sole opinion, the financial condition of the Buyer so warrants and, in such event, in addition to any other remedies herein, or by law provided, cash payment in advance or satisfactory security from the Buyer may be required by the Seller before shipment, or the due date of payment by the Buyer under this or any other agreement or order with the Seller may be accelerated by the Seller. Failure to pay invoices at maturity date shall render all subsequent invoices immediately due and payable irrespective of terms, and the Seller may withhold all subsequent deliveries until the full amount is paid. Any and all delinquent invoices shall bear interest at the rate of one and one-half (1.5%) percent monthly, eighteen percent (18%) (or the maximum interest rate allowed by law) annually from the first date of delinquency until paid. Acceptance by the Seller of less than full payment shall not be a waiver of any of its rights. In the event of payment default, customer will assume any collection or legal costs associated with the collection of any and all delinquent monies owed to Integrated Services, Inc.

5. Optional Accessories

The prices listed on the quote may or may not include certain accessories. Printer stands, ink startup kits, ink and extra print heads are examples of items that may or may not be included in the price quoted.

6. Security Interest

Seller hereby reserves and Buyer grants a purchase money security interest in the Goods sold and the proceeds thereof, in the amount of the purchase price. If Buyer defaults on any of its obligations to Seller, Seller shall have the right, in addition to any other rights and remedies available, to repossess the Goods sold hereunder. In such event, Buyer agrees to make the Goods available for repossession. These security interests may be perfected by payment in full.

7. Price

Prices shown in Seller's sales literature are subject to change without notice and should not be construed as a definite quotation or offer to sell. A signed and dated quote by an authorized representative of Seller is an offer to sell that shall expire not more than forty-five (45) calendar days from the date it is transmitted to Buyer. Seller's quote is expressly conditional on Buyer's assent to these Standard Terms and Conditions of Sale. Seller reserves the right, upon notice to Buyer, to correct miscalculations, omissions and typographical errors on any quote or offer.

8. Sales Literature

Prices shown in Integrated Services, Inc.'s sales literature are subject to change without notice and should not be construed as a definite quotation or offer to sell.



9. Taxes

Prices quoted or accepted by Seller are exclusive of all federal, state, municipal or other government excise, sales, use, occupational, or like taxes, tariffs, fees, export duties, and other export costs. All of the foregoing shall be for the account of Buyer. Consequently, prices are subject to increase by the amount of any such tax, tariff, duty, or fee that Seller pays or is required to pay or collect upon sale or delivery of the Goods. Any such taxes, tariffs, duties, fees, and costs, when applicable to sales or to the Goods, shall appear as separate items on Buyer's invoices.

10. Test Materials

Buyer agrees to provide necessary materials, i.e. production grade product, packages and packaging materials, without transportation or other charges, to Seller's manufacturing facility for equipment engineering and test purposes. Buyer agrees that these materials are representative of those to be run on subject purchased equipment. It is understood that Buyer is responsible for expense or delay caused by failure to furnish proper materials and full manufacturing information in writing promptly upon Seller's request. If the Buyer purchases the equipment without providing the proper materials for engineering review and acceptance, Buyer shall assume all responsibility for the suitability of the equipment to the application.

11. Price / Performance

All pricing and equipment performance figures quoted herein are based on information and product samples available to us at time of quotation. Any change in equipment specifications, terms, addition of products not expressly called out in the proposal, or physical characteristics of product before or during fabrication of the equipment quoted may result in additional charges and may delay delivery of the equipment. All specifications/performance outlined in this proposal are exclusive of product handling and product variation.

12. Seller's Warranty

Seller warrants to Buyer that the equipment described in this proposal will be free from defects in material and workmanship for a period of three hundred sixty-five (365) days from the date of shipment by Seller. Labor is warranted for ninety (90) days from the date of shipment (travel and living costs are not covered under warranty). If within three hundred sixty-five (365) days from the date of shipment by the Seller the equipment contains defects in material and workmanship, and Buyer notifies Seller promptly in writing containing a detailed description of each defect in material and/or workmanship, Seller shall thereupon correct any defect, at its option, either by repairing any defective part or parts or by making available at Buyer's plant, a repaired or replacement part. No claim by Buyer for damages, labor and installation charges will be allowed. The Buyer is responsible for shipping costs to return the defective part(s). Seller will be responsible for the shipping costs associated with the replacement part if the original part is found to be defective. If the part is deemed not to be defective, the Buyer is responsible for all shipping costs, labor costs, and the cost of the replacement part(s). Equipment or parts of the equipment manufactured by other than the Seller are not covered by Seller's warranty and are sold exclusively under the warranty provided by such manufacturer and only to the extent that Seller may pass on such warranty to Buyer. On the repair or replacement of a defective part, Seller's warranty will continue for the repaired or replacement part for the remainder of the warranty period that remains for the original part. Any liability of Seller under the warranties specified above is conditioned upon the applicable equipment being well maintained, oiled, cleaned and operated at speeds not in excess of the quoted speeds by qualified operators and that the packaging materials chosen by buyer are in accordance with the drawing and specifications approved by Seller. This warranty is contingent upon the use of Integrated Services, Inc. approved consumables/supplies (or Equipment Manufacturer's approved) and spare parts throughout the warranty period as well as installation being completed by an authorized Integrated Services, Inc. field service technician.

THIS WARRANTY IS THE ONLY WARRANTY MADE BY SELLER AND IS EXPRESSLY IN LIEU OF ALL OTHER WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. SELLER NEITHER ASSUMES NOR AUTHORIZES ANY PERSON TO ASSUME FOR IT ANY OTHER OBLIGATION OR LIABILITY IN CONNECTION HEREWITH.

13. Delivery

The estimate as to time of shipment shall date from our written acceptance of your order and receipt of ALL final customer specifications at our factory. All agreements as to delivery are subject to fire, floods, strikes, accidents, Department of Defense priorities, labor and materials shortages, or any other cause or causes of delay beyond our control. The date fixed for delivery is only an estimate and tentative and shall not be binding upon Integrated Services, Inc., and it shall not be liable to purchaser or purchaser's customers for damages of any kind or character for failure to deliver on the date specified.

14. Delays in Delivery and Force Majeure

Seller shall use commercially reasonable efforts to meet any delivery date(s) quoted. However, under no circumstance shall Seller be liable for any delay in shipment, failure to meet any quoted delivery date(s), or for any delay in performance hereunder. In addition, Seller shall have the right to postpone the time for delivery due to unforeseen circumstances or cause(s) beyond its control. Examples of such causes are acts of God, wars, riots, embargoes, acts of civil or military authorities, fires, floods, accidents, strikes, transportation delays or shortages, inability to obtain material or supplies, excessive demand over available supply, interruption in the manufacture of products needed to produce Seller's Goods, or other causes not within Seller's control.

15. Installation and Repair Assistance

Unless otherwise agreed to under the warranty provisions of this Agreement, all Goods shall be installed and repaired by and at the expense of Buyer. If Buyer so desires, Seller shall furnish an experienced person to supervise and assist in the installation or repair of the Goods. Service personnel will be billed according to Seller's then current rates. Seller shall not be liable for the negligent, reckless, or intentional acts of anyone not employed by Seller who installs, repairs, operates, or handles the Goods under this Agreement.



16. Shipping

Unless otherwise agreed in writing all deliveries are shipped F.O.B. factory (ex-works) and Buyer assumes the risk of loss, delay, and damage immediately upon delivery of the Goods to a suitable common carrier. All delivery expenses including crating charges, transportation, freight, insurance, and any other shipping cost shall be for the account of Buyer. Notwithstanding, the Parties agree to cooperate to recover from the common carrier for any loss or damage resulting from the transportation of the Goods by the carrier. Unless otherwise indicated in writing selection of a carrier shall be at Seller's discretion. Charges for special packaging shall apply on Buyer's request or if the Goods are particularly susceptible to breakage. Shipping/freight invoices are due upon receipt.

17. Inspection

Buyer must inspect the goods within ten (10) calendar days of delivery to Buyer's facility or the Goods shall be irrevocably accepted according to these Standard Terms and Conditions of Sale. Buyer agrees that ten (10) calendar days is a reasonable amount of time for inspection of the Goods.

18. Guards

Use of all guards, interlocks, and electrical devices and other safety devices on Sellers machines, and the operation of the machines in accordance with the Manufacturer's operating instructions is essential for the safe use of the machines. Purchaser agrees that it will keep in legible condition all warning or operating instructions affixed to machines or parts by the Manufacturer, that it will not remove or render inoperable any guards, interlocks, electrical devices or other safety devices, and that it will operate the machines in accordance with the Manufacturer's operating instructions.

19. Property Rights

Integrated Services, Inc. retains title to the goods supplied until receipt of full payment and the buyer shall be responsible for the protection of the goods.

20. Cancellation

Minimum order cancellation charge will include all work in progress, raw materials, supplies, and Sales, General and Administration expense or for which commitments have been made in connection with the order, and all engineering costs incurred on the basis of the Seller's full costs plus 30% f.o.b. price. The minimum cancellation fee is an amount equal to thirty percent (30%) of the contract price at the time of cancellation as liquidated damages. Special/Custom orders and modified equipment are not cancelable or refundable for any reason.

21. Returns

Any request for a return by Buyer must be made in writing. A return of Goods shall not be accepted for any reason without the prior written consent of Seller and issuance of a Return Material Authorization (RMA) number. If Seller grants such authorization, and the Goods are not covered by the limited warranty provided herein, Buyer shall pay Seller a restocking fee equal to twenty-five percent (25%) of the then current list price of the Goods. The Buyer shall also pay adjustments for unearned discounts and other reasonable charges for handling. The RMA paperwork shall specify additional terms and conditions for returns. Buyer shall not return material without first obtaining an RMA number. Returns made without obtaining prior authorization shall be returned to sender at Buyer's expense. Except as provided for in Seller's limited warranty to Buyer, Seller, in its sole discretion, may accept or reject any request by Buyer to return Goods for cash or credit. All shipping, crating and other applicable charges remain the responsibility of the Buyer.

22. Chargeback

Prices indicated to the Buyer are based upon the quantity ordered. If, through no fault of Seller, the total quantity ordered is not purchased during the scheduled delivery period, in addition to any other rights available to Seller (including enforcement of the original agreement to purchase), Seller may "chargeback" Buyer. The chargeback shall equal an amount not less than the difference between the list price of the Goods on the date of Seller's Invoice(s) and the amount Buyer actually paid for such Goods.

23. OSHA Laws

The Williams-Steiger Occupational Safety and Health Act of 1970 (OSHA) and like state and local laws and all regulations issued under such laws are designed to assure a safe place to work and apply primarily to the employer, not the equipment manufacturer. Seller will work with buyer to find technically feasible answers to possible compliance problems; however, because compliance is significantly affected by many factors over which Seller has little control (such as system manufacture, installation, plant layout, building acoustics, materials processed, processing procedures and supervision and training of employees), Seller does not represent or warrant that equipment sold by it complies with OSHA or any like state or local law or regulation, and the cost of modifications and responsibility for compliance are the Buyer's responsibility.

24. Technical Drawings and Confidential Information

Drawings, photographs and diagrams are not binding and all offers, drawings and other documents remain the property of the Manufacturer. Buyer shall not, without the written consent of the Manufacturer, allow third parties to copy or use these drawings and other documents. Any drawings or documents furnished by the Manufacturer shall not at any time be used to manufacture or have manufactured parts or machinery. Buyer shall not, without Seller's or OEM's express written consent, disclose drawings, data, designs, plans, specifications, know how, production methods, or other confidential information belonging to Seller or OEM to any person not directly involved with the completion of this Agreement or operation of the Goods. Confidential information does not include information that is public, the receiving party lawfully knew prior to this Agreement, or that the receiving party could otherwise independently discover without the aid of the disclosing party.



25. Titles and Interest

Buyer may receive delivery of the equipment prior to payment in full of the purchase price. In the event that occurs, title to the equipment shall remain in Seller's name until the full purchase price has been paid by all the rights of a secured party in accordance with Article 9 of the Uniform Commercial Code. In the event Buyer fails to pay the balance of the purchase price when due, for whatever reason, Buyer shall return the equipment or deposit the balance due Seller in a court of competent jurisdiction within ten (10) days of the due date of payment to Seller.

26. Limitation of Liability

The equipment being sold by Seller to Buyer is complex equipment. Seller has advised Buyer the equipment requires trained maintenance, upkeep and monitoring by trained members of Buyer's staff during operation. Buyer has been advised by Seller that the equipment should not be used in production until Buyer, in its sole discretion, determines that the equipment, product and Buyer's staff are ready. Buyer, as a sophisticated entity, has understood and accepts Seller's advisory. Seller has priced the equipment upon the understanding that Seller will not be responsible or liable for any form of consequential, incidental, or indirect damages of whatever kind or type arising from any type of commercial, business, environmental, tort, warranty, contract, strict liability, or other cause(s) arising, directly or indirectly, from or in connection with the equipment and/or its use. Not by way of limitation, Seller shall not be liable for any losses to Buyer based on down time, spoilage, lost production or lost profits. It is the intention of the parties that this provision be construed by a court as being the broadest limitation of liability consistent with applicable law. In no event shall Seller be liable for damages that exceed the moneys paid by Buyer to Seller for the equipment less the value of the benefits received by Buyer and the value of the equipment.

27. Waiver

No failure or delay by Seller in exercising any right, power, or privilege hereunder shall operate as a waiver thereof.

28. Notice

Any notice, demand, or other communication given or made under or in connection with the matters contemplated by this Agreement shall be in writing and shall be delivered by reputable overnight courier service or pre-paid first-class mail to the other party's address.

29. Severability

If any court determines that any provision of this agreement is invalid or unenforceable, any invalidity or unenforceability will affect only that provision and will not make any other provision of this agreement invalid or unenforceable and shall be modified, amended or limited only to the extent necessary to render it valid and enforceable.

30. Attorney's Fees

If any legal action or proceeding, including any arbitration of disputes, arising out of, or relating to, this contract is brought by either party, the prevailing party as determined by the Court or Arbitrator, shall be entitled to receive from the non-prevailing party, in addition to any other relief that may be granted, reasonable attorney's fees, costs and expenses incurred in the action or proceeding by the prevailing party.

31. Arbitration

All rights of the parties contract i.e., Integrated Services, Inc. (Seller), and Buyer, hereunder shall be governed by the laws of the State of New Jersey and any disputes between the parties which require judicial intervention shall only be brought in a Court of competent jurisdiction in the State of New Jersey or by binding arbitration in the State of New Jersey through a sanctioned American Arbitration Association Arbiter, either to be chosen at the sole discretion of Integrated Services, Inc.

32. Entire Agreement

In order of precedence (1) special terms and conditions agreed to in writing and signed by both parties (2) these Terms and Conditions (3) specifications and (4) other exhibits incorporated by reference constitute the complete Agreement between the parties and supersede all prior or contemporaneous agreements or representations, written or oral, concerning the subject matter of this Agreement. This Agreement may not be modified or amended except in writing signed by a duly authorized representative of each party. No other act, document, usage, or custom shall be deemed to amend or modify this Agreement.