

TERMS AND CONDITIONS OF SALE



The following terms and conditions shall be part of any Contract entered into between the Buyer and LTG Incorporated. Any terms and conditions in Buyer's purchase order, purchase order acknowledgement, or any other writing pertaining to such order, irrespective of its wording or when received by LTG Incorporated, which conflict or are inconsistent with or add to the terms and conditions hereof, are not incorporated into the Contract without the express written consent of LTG Incorporated.

I. Acceptance: This proposal is can be accepted by Buyer within 30 days from the date of proposal. Prices are firm after acceptance provided that Buyer releases the order within 90 days after the date of the proposal. Typographical and clerical errors in quotations, orders and acknowledgements are subject to correction by LTG Incorporated.

II. Reservation of Rights: LTG Incorporated reserves the right to make any changes in the design of its products at any time in its sole discretion.

III. Payment: LTG Incorporated shall be paid in accordance with the prices set forth in its proposal. Invoices are payable in US currency no later than 30 days from the date of invoice without any deductions. Buyer shall not offset any amounts due pursuant to the terms of any other contract against any amount due pursuant to this contract. An interest charge of 18% per annum will be owed by Buyer on all overdue payments. Shipments for new orders will not be made if invoices for prior orders have not been paid within 45 days after the date of invoice. If LTG Incorporated uses the services of collection agencies or lawyers to collect payment, court fees, collection agency fees and attorney's fees will be due and owing by Buyer.

IV. Taxes: Any sales or other taxes, if applicable, imposed by any local, state or federal taxing authority for any reason must be paid by Buyer.

V. Shipments: All shipments are f.o.b. factory or, if shipped from another location, f.o.b. point of shipment. Buyer shall make payment of such shipment costs in accordance with the terms of its proposal.

VI. Claims: LTG Incorporated's responsibility for risk of loss of the products ceases upon delivery of its products to a common carrier for shipment. All goods are shipped at Buyer's sole risk. Buyer must notify LTG Incorporated of any errors in the quantity of products shipped within 10 days after Buyer's receipt of the shipment.

VII. Return of Goods: Goods received by the Buyer cannot be returned unless previously agreed by LTG Incorporated.

VIII. Limited Warranty and Limitation of Liability: LTG Incorporated warrants that the design, construction and materials of its products will be free from defects in materials and workmanship for a period not to exceed twelve (12) months from the date of shipment. In the event of a defect or deficiency of any product provided by LTG Incorporated, LTG's sole obligation under this Warranty is to repair or replace the affected product (or a part thereof as determined by LTG in its sole discretion).

BUYER HEREBY WAIVES ALL INCIDENTAL, CONSEQUENTIAL, INDIRECT, SPECIAL AND EXEMPLARY DAMAGES AGAINST LTG INCORPORATED, WHETHER SUCH DAMAGES ARISE IN CONTRACT, TORT, STRICT LIABILITY OR OTHERWISE.

THE ABOVE STATED WARRANTY IS GIVEN EXPRESSLY IN LIEU OF ALL OTHER WARRANTIES EXPRESSED OR IMPLIED. ANY IMPLIED WARRANTY OF MERCHANTABILITY OR WARRANTY OF FITNESS FOR PARTICULAR PURPOSE OR OF DESIGN IS EXPRESSLY DISCLAIMED. LTG INCORPORATED MAKES NO OTHER WARRANTIES EXPRESS OR IMPLIED OTHER THAN THE WARRANTY CONTAINED IN THIS SECTION.

IN NO EVENT SHALL LTG INCORPORATED HAVE ANY LIABILITY TO BUYER ARISING OUT OF OR RELATING IN ANY WAY TO LTG INCORPORATED'S OBLIGATIONS UNDER THIS CONTRACT, FOR ANY REASON, EXCEED THE SUM OF TWENTY-FIVE THOUSAND DOLLARS (\$25,000.00) OR THE PURCHASE PRICE ACTUALLY PAID BY BUYER TO LTG INCORPORATED PURSUANT TO THIS CONTRACT, WHICHEVER IS GREATER.

IX. Warranties of Others: Warranties on equipment or components manufactured by others are limited to the warranty terms of such manufacturers. All warranty claims must be submitted to LTG Incorporated within ten (10) days of discovery of defect within the warranty period, or such claim shall be deemed waived. Buyer shall not attempt to make any repairs on the products during the warranty period without the prior written authorization of LTG Incorporated or its representatives or the Warranty herein is void. LTG Incorporated shall not be liable for any injury to persons or property resulting from improper installation, operation, misapplication, neglect, modification, repair, or maintenance (including lubrication) of its products.

X. Credit: If Buyer's credit, at the sole judgment of LTG Incorporated, is impaired at any time, LTG Incorporated shall have the right to defer shipment or cancel the order.

XI. Cancellations: Should the order be cancelled through no fault of LTG Incorporated, the Buyer is liable to LTG Incorporated for reimbursement of any and all expenses incurred by LTG Incorporated in connection with such order.

XII. Title: The title to all products supplied by LTG pursuant to this Contract, and to any and all additions and accessories, shall remain with LTG Incorporated until the purchase price is paid in full.

XIII. Indemnity: The Parties agree to defend, indemnify and hold each other harmless from liability for claims, losses or damages asserted by any third-party to the extent such claim, loss or damage arises from the negligent acts, errors or omissions of the indemnifying Party. The Parties intend that the indemnity obligation set forth above shall apply even if a claim or loss arises in whole or in part from the negligence, strict liability, statutory liability, or other wrongful act or omission

of the indemnified party. In such event, the indemnifying party's obligation shall be reduced in proportion to the indemnified party's contributing negligence or fault.

XIV. Termination:

A. Termination by Buyer for Convenience: In the event that this Contract is terminated by Buyer for any reason other than breach of a material term of this contract by LTG Incorporated, Buyer shall pay to LTG Incorporated the following:

1. The price in effect at time of shipment for all products which have been shipped or the price in effect at time of termination for all products ready for shipment; and
2. The actual costs of work-in-process and raw materials incurred by LTG Incorporated or its subcontractors or suppliers for products which are not completed at the time of the termination.

B. Termination by LTG Incorporated: If an order is suspended for a period of more than thirty (30) days by Buyer or under an order of any court or other public authority having jurisdiction, or as a result of any act of government, such as a declaration of a national emergency making materials unavailable, through no act or fault of LTG Incorporated, or if Buyer fails for a period of thirty (30) days to pay LTG Incorporated any amount properly due under this contract, then LTG Incorporated may, upon seven days' written notice to Buyer and provided Buyer does not remedy such suspension, stoppage, or failure within that time, terminate this contract and recover from Buyer payment in accordance with the preceding paragraph together with any loss sustained by LTG Incorporated (whether expense, damage, or profits) as a result of such suspension, stoppage, or failure.

XV. Choice of Law: The interpretation and enforcement of this Agreement and all claims, disputes, and controversies between LTG incorporated and Buyer arising out of or relating to this Contract, whether before or after its termination, shall be decided according to the laws of South Carolina, without regard to choice of law rules.

XVI. Severability: If any provision of this Contract is held invalid or unenforceable, its invalidity or unenforceability will not affect any other provisions of this Contract, and this Contract will be construed and enforced as if such provision had not been included.

XVII. Force Majeure: LTG Incorporated is not responsible for non-performance of this Contract to the extent that its performance is rendered impossible or impractical from any cause beyond LTG Incorporated's reasonable control and without its fault or negligence, such as strike, fire, flood, sovereign conduct, or acts of God, for such period of time as is reasonably necessary after such occurrence to remedy its effects. In the event of any such delay, a revised delivery schedule and any associated cost impact shall be negotiated and incorporated into the Contract.