



2017 STANDARD TERMS AND CONDITIONS OF SALE

Sales by Delta "T" Systems, Inc. are subject to the following terms and conditions. Terms or conditions appearing in buyers purchase orders that are contrary to the following terms and conditions shall not be binding on Delta "T" Systems unless specifically agreed to in writing.

Types of Payment Accepted: Wire Transfer, Company Check, Credit Cards: Visa, Master Card, American Express, Discover. (Bank fees are the responsibility of the customer and may not be deducted from Delta "T" Systems' proceeds.)

Terms of Payment: Without prior credit approval, 50% down payment is required with the order and 50% prior to delivery.

Credit Approval: Contact Delta "T" Systems' accounting department to request a credit application. Every effort will be made to expedite the approval process; however, it can take up to six weeks.

Freight Policy: Prices are Ex Works and excluding packaging. Delivery to the initial carrier constitutes delivery and passage of title to the Buyer. Incident to the passage of title, the Buyer assumes all responsibilities of ownership, including but not limited to control, risk of loss or damage; regardless of the time or method of shipping, the form of the shipping documents, the consignee, the method of insuring or the terms or method of payment. The terms F.O.B., F.A.S., C.I.F., etc. refer only to the price and not to the time or place the title to the products passes from Delta "T" Systems to the Buyer.

Delivery: Scheduled shipping dates shown in Delta "T" Systems' order confirmations are approximate and represent the best estimate of shipping date at the time the order is processed. Delta "T" Systems assumes no obligation to ship on the scheduled date or to advise the Buyer that shipment will be delayed. Delta "T" Systems shall have no liability for any liquidated damages or penalty whatsoever because of failure to ship as scheduled unless specifically agreed to in writing.

Shortages or Deficiencies: Any shortages or deficiencies in material shipped must be reported within 14 calendar days after receipt to be considered for adjustment by Delta "T" Systems.

Warranty: Only Delta "T" Systems' standard "Limited Product Warranty" will apply to new product sales.

Proposals & Price Quotations: Any quotation from Delta "T" Systems to the Buyer will be an invitation for an offer from the Buyer upon the terms and conditions as stated. Such offer will be accepted only if it is in accordance with these terms and conditions. Delta "T" Systems' acceptance of the Buyer's order as evidenced by Delta "T" Systems' order confirmation is expressly made conditional on the Buyer's agreement to all of the terms and conditions stated, and Delta "T" Systems agrees to furnish the products ordered by the Buyer only upon these terms and conditions. Unless otherwise specifically agreed, prices are valid for goods required for delivery within 30 days of acceptance only. Thereafter, Delta "T" Systems will notify the Buyer of any price change prior to delivery.

Resale & Reshipments: The Buyer agrees that products purchased will not be reshipped or resold to any persons or places prohibited by the laws of the United States of America.

Return of Material: Most of Delta "T" Systems products are fabricated to a customer's specific order. Custom products may not be returned. No material is to be returned for any reason without prior written authorization from Delta "T" Systems, within the terms of our warranty. Any returned material must be accompanied by a Return Material Authorization Form issued by Delta "T" Systems covering the specific transaction. Material must be returned "Freight Prepaid" unless the Returned Material Authorization Form specifically authorizes shipping "Freight Collect."

Product Changes: Because of a continuous program of product improvement and uncontrollable factors such as unavailability of certain materials, Delta "T" Systems reserves the right to make reasonable changes in product design and to supply products of revised design against any order without notice.

Changes to Order Released for Fabrication: Orders may be changed in size and quantities, if made at any time prior to starting of fabrication. Charges for these changes would be assessed



relative to the expenses involved. Changes after fabrication has begun will result in charges deemed appropriate by Delta "T" Systems to recover the cost of material and labor expended that cannot be utilized because of the change. When shipment of an order is delayed at the Buyer's request after material has been ordered or fabrication has begun, partial payment may be required at Delta "T" Systems' option in an amount based on the purchase price and the percentage of work completed at the time delay in shipment was requested. Equipment for which shipment is delayed at the request of the Buyer may cause Delta "T" Systems to incur storage or warehousing expense. In this instance a charge determined appropriate by Delta "T" Systems may be made to the Buyer to offset this storage or warehousing expense.

Limitation of Liability: In no event shall Delta "T" Systems or its subcontractors or vendors be liable in contract, tort, warranty, strict liability or other legal theory for any special, indirect, incidental or consequential damages such as, but not limited to, loss of anticipated profits or revenues, non-operation or increased expense of operation of other equipment, or cost of capital. The remedies set forth herein are exclusive and the liability of Delta "T" Systems with respect to any contract or anything done in connection herewith or from the manufacture, sale, delivery, repair, replacement or use of its products covered by or furnished hereunder, whether by contract, tort, warranty, strict liability or other legal theory shall not exceed the purchase price of the product upon which liability is based.

Limited Product Warranty: Products sold and/or manufactured by Delta T Systems Inc. are warranted to be free from defects in material and workmanship for a period of 12 months after being installed or placed in service, but in no instance shall the period of warranty be longer than 18 months from the date of the original shipment by Delta T Systems. Delta T Systems warrants only that it will furnish replacement material, or at its option, repair any product of its manufacture that is proven to Delta T Systems' satisfaction to be defective in materials or workmanship during this described warranty period. To determine defects Delta T Systems may require material claimed defective to be returned freight prepaid to the Delta T Systems factory that originally shipped the product. If any defects are determined by Delta T

Systems, freight charges relative to the replacement material will be paid by Delta T Systems (limited to the 48 contiguous United States). Products not manufactured by Delta T Systems will be warranted by Delta T Systems only to the extent that they are warranted to Delta T Systems by their manufacturer. Electric motor warranties and claims are administered by the motor manufacturer only. Delta T Systems shall have no responsibility for the operation or performance of any products in any manner other than that which the product is usually tested and applied under industry standards, nor to any damage to a product from abuse, misapplication, unauthorized repairs, abrasion, erosion, corrosion or the like due to abnormal temperatures, or the influence of foreign matter, nor for the design or operation of any system of which any product may be a part, or for the suitability of any product for any particular application. Delta T Systems shall not be liable for any cost or expense, including without limitation, labor expenses, in connection with removal or replacement of alleged defective equipment or any part or portion thereof nor for incidental or consequential damages of any kind, or under any circumstances for damage beyond the price of the goods sold. THE FOREGOING WARRANTIES ARE EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES EXCEPT THAT OF TITLE, WHETHER WRITTEN, ORAL OR IMPLIED, IN FACT OR IN LAW (INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR PARTICULAR PURPOSE).

Correction of non-conformities, whether patent or latent, in the manner and within the period of time provided above, shall constitute fulfillment of all liabilities of Delta T Systems whether based on contract, tort, strict liability or other legal theory with respect to Delta T Systems' products. Delta T Systems neither assumes nor does it authorize any other person to assume on its behalf, any other liability in connection with the sale of its products. Products sold as part of a Delta T Systems engineered system shall carry a twelve month warranty from date of commissioning of the vessel by an authorized representative of Delta T Systems and proper forms are signed and returned to Delta T Systems for recording. Under no circumstances will Delta T Systems be responsible for system functionality unless the entire system has been designed and engineered by Delta T Systems and components are supplied by Delta T Systems and installed as designed.