

Albeo Technologies, Inc.

Terms and Conditions

A. GENERAL

The term Seller as used herein shall mean Albeo Technologies, Inc., with their principal office at 3125 Sterling Circle, Suite 105, Boulder, CO 80301.

B. DEFINITIONS

1. The term "Buyer" shall mean the party identified as such on the face of this document.
2. The term "Products" shall mean the products described on the face of this document.
3. A "Standard Product" is any product designed and manufactured by Albeo Technologies for purchase by any and all customers.
4. A "Custom Product" is any product specifically designed and manufactured for an individual customer, including but not limited to military products.

C. SCOPE

1. ANY ADDITIONAL AND/OR CONFLICTING TERMS AND CONDITIONS IN ANY PURCHASE ORDER, ACKNOWLEDGEMENT OR OTHER DOCUMENT ISSUED OR PROVIDED BY BUYER ARE HEREBY SPECIFICALLY REJECTED UNLESS EXPRESSLY ACCEPTED IN WRITING BY AN AUTHORIZED OFFICER OR EMPLOYEE OF SELLER. In the absence of Buyer's written acceptance or acknowledgement of these Terms and Conditions, Buyer's acceptance of and/or payment for Products shall constitute Buyer's acceptance of these Terms and Conditions.
2. These Terms and Conditions together with any and all attachments constitutes the entire agreement between the parties relating to the sale and delivery of Products to Buyer.
3. Seller shall not be deemed to have any commitment or liability to Buyer until such time as Buyer has accepted or acknowledged these Terms and Conditions in accordance with Paragraph C(1).
4. The prices set forth herein are firm and not subject to audit, price revisions, or price redetermination except as provided in Paragraph F.3.

D. PAYMENT TERMS

Each invoice for Products shall be due and payable by Buyer thirty (30) days from the date of such invoice. Interest shall accrue on any amounts not timely paid by Buyer at a rate equal to the lesser of (i) 1 1/2% per month, and (ii) the maximum rate permitted by applicable law. Seller may change the terms of payment and/or credit at any time, upon written notice to Buyer. For example only, and not by way of limitation, Seller may require full or partial payment from Buyer prior to delivery of Products. In the event that any proceeding is brought by or against Buyer under any bankruptcy or insolvency law, Seller shall be entitled to ship any order to Buyer C.O.D. or cancel any outstanding order and receive reimbursement from Buyer for all costs and expenses incurred by Seller in connection with such cancellation. Each shipment of Products shall be considered a separate and independent transaction, and payment therefor shall be made accordingly.

E. TAXES

All Product prices are exclusive of any present or future sales, transaction privilege, revenue and excise taxes, import duties (including brokerage fees) and other taxes and fees applicable to Products or the manufacture or sale thereof. To the extent applicable, such taxes and fees shall be added to the invoices described in Paragraph D and paid by Buyer unless Buyer timely provides Seller with a proper tax exemption certificate.

F. DELIVERY; TITLE; RISK OF LOSS

1. All Products delivered within the US and Canada shall be EXW point of shipment, freight collect, and Buyer shall be responsible for all shipping, insurance, delivery and related transportation charges. Seller's liability as to risk of loss to Products shall cease upon Seller's delivery of Products, in good condition, to the carrier at the shipping point.
2. All Products delivered to an International destination excluding Canada will be FCA Boulder and Buyer shall be responsible for all shipping, insurance, delivery and related transportation charges including custom duties and taxes. Seller's liability as to risk of loss to Products shall cease upon Seller's delivery of Products, in good condition, to the carrier.
3. Seller reserves the right to deliver Products in installments, and the contract shall be severable by Seller as to each such installment. In the event that Buyer, for any reason, does not purchase the entire quantity of Products, the parties agree that, in addition to Seller's right to applicable cancellation charges, as set forth in Paragraph K, and any other rights available to Seller under these Terms and Conditions, at law or in equity, the prices set forth herein shall be revised to reflect Seller's standard list prices (as in effect at the time of order) for Products actually shipped and purchased hereunder.

G. ACCEPTANCE

1. Buyer's acceptance of the Product occurs upon deliverance of the product by Seller to Buyer. Buyer does not have the right to return Product that conforms to standard written specifications.
2. Buyer's right to challenge conformity of the Products (i.e. Product that may not conform to applicable standard written specifications) shall terminate thirty (30) days after delivery to Buyer. . If Buyer fails to notify Seller in writing of its rejection and

the reasons therefor within such time period, Buyer shall be deemed to have lost its right to make the challenge. In the event that the parties have agreed, in writing, to lot acceptance procedures, Products rejected by Buyer on that basis shall be returned only upon Seller's prior written authorization.

H. WARRANTY

Seller warrants that all Products, at the time of shipment, be free from defects in materials and workmanship under normal use and service and conform to Seller's applicable standard written specifications for up to five years, or if appropriate, to specifications accepted in writing in advance by Seller for up to five years. Buyer's sole remedy, and Seller's sole obligation, with respect to Products that may not conform to the foregoing warranty shall be limited to, at Seller's option, repairing or replacing such Product to Buyer, provided that: (i) Seller receives written notice of such nonconformity; (ii) such Products are, upon Seller's prior written authorization, returned to Seller's factory of origin, freight prepaid; and (iii) Seller, after examination of Products, determines to its satisfaction that Products are nonconforming. The foregoing warranty shall not apply to Products that Seller reasonably determines to have been subjected, by Buyer or a third party, to operating and/or environmental conditions in excess of the maximum values in the applicable specifications or that have otherwise been subjected to misuse, neglect, improper installation, repair, alteration or damage.

1. THE WARRANTY SET FORTH IN PARAGRAPH H MAY BE ASSERTED ONLY BY BUYER AND MAY NOT BE ASSERTED BY BUYER'S CUSTOMERS OR USERS OF BUYER'S PRODUCTS. SELLER EXPRESSLY DISCLAIMS ALL OTHER WARRANTIES, OBLIGATIONS, AND LIABILITIES WITH RESPECT TO STANDARD PRODUCTS, WHETHER ORAL OR WRITTEN, EXPRESS, IMPLIED, OR STATUTORY INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTY NON-INFRINGEMENT, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. SELLER DOES NOT ASSUME, OR AUTHORIZE ANY OTHER PARTY TO ASSUME FOR SELLER, ANY OTHER LIABILITIES IN CONNECTION WITH THE SALE OF PRODUCTS.

I. RETURN OF STOCK MERCHANDISE

Products may be returned to us for replacement or refund in the following manner: before returning any item, please contact our customer service department within 30 days of receipt of material for a Return Material Authorization (RMA) number. Any credit issued will be based on the original invoice price or price in effect at time of return, whichever is lower, and include a 15% restocking fee. No returns, of any type, will be accepted without an RMA number and all returns must be received within ten days of obtaining the RMA number.

J. FORCE MAJEURE

Seller shall not be liable for nonperformance or delays in performance hereunder due to causes beyond its control. Such causes shall include, without limitation, acts of God, wars, riots, strikes, fires, storms, floods, earthquakes, terrorist attacks, shortages of labor or materials, labor disputes, production difficulties, transportation embargoes, acts of any government or agency thereof, judicial actions and any other cause beyond Seller's reasonable control. In the event of such excused delay or failure of performance, the scheduled delivery date shall, at Seller's option, be deferred for a period equal to the time lost due to the delay. Seller shall notify Buyer in writing of any such event or circumstance within a reasonable period after it learns of the same.

K. TERMINATION; CANCELLATION; RESCHEDULING

PRODUCTS	CANCELLATION	RESCHEDULING
Standard Product	14 days notice prior to scheduled shipping date to cancel. If shipping date is less than 14 days from order acceptance, then no cancellation.	14 days notice to reschedule once up to 30 days. One time only
Custom Products	No cancellation	14 days notice to reschedule once up to 30 days. One time only

Subject to paragraph J, Buyer will be allowed to cancel shipments based on failure of Seller to provide Product within 45 days of Seller's original committed ship date for standard product. Violation of cancellation terms may result in the seller imposing cancellation charges.

L. LIMITATION OF LIABILITY

BUYER HEREBY WAIVES ALL CLAIMS FOR CONSEQUENTIAL, INCIDENTAL, INDIRECT, PUNITIVE AND SPECIAL DAMAGES ARISING OUT OF OR IN ANY WAY RELATED TO THE SALE OR DELIVERY OF PRODUCTS INCLUDING, WITHOUT LIMITATION, ANY DAMAGES ARISING IN CONNECTION WITH THE USE OR PERFORMANCE OF PRODUCTS, ANY BREACH OF ANY WARRANTY SET FORTH HEREIN, OR ANY FAILURE OR DELAY IN THE MANUFACTURE OR DELIVERY OF PRODUCTS.

M. APPLICABLE LAW

These Terms and Conditions shall be governed by and construed under the laws of the State of Colorado. ANY DISPUTE ARISING IN CONNECTION WITH THIS AGREEMENT SHALL BE SETTLED BY BINDING ARBITRATION OF THE AMERICAN ARBITRATION ASSOCIATION AND ITS RULES. THE SITE OF THE ARBITRATION WILL BE DENVER, COLORADO, UNLESS ANOTHER LOCATION IS MUTUALLY AGREED UPON.