

RSA, INC.
TERMS & CONDITIONS

1. Terms of payment for the sale of the products covered hereby (the "Products") from RSA, Inc. (the "Seller") to the purchaser thereof (the "Buyer") are net 30 days from the invoice date, unless otherwise indicated. Payment is to be made to the address set forth on the face of this invoice.

2. Prices quoted are FOB Seller's facility, St. Charles, Illinois and except as otherwise indicated, are exclusive of all city, state, and federal taxes, payment of which taxes shall be the sole responsibility of Buyer. Whenever applicable, such tax or taxes have been added to this invoice as a separate charge to be paid by Buyer.

3. All Products are shipped at Buyer's risk and Seller's responsibility for damage to Products ceased when the Products were delivered to the carrier or to the Buyer or Buyer's agent at Seller's facility, whichever occurs earlier, at which time "delivery" to Buyer was deemed to have been made. Buyer is responsible for storage charges in the event the Products are sold by Seller at the request of Buyer pending shipping instructions. In the absence of instructions as to shipping, Seller has selected a carrier who is not an agent for Seller and Seller has no liability for such shipment.

4. Title to the Products sold hereunder passes to Buyer upon delivery. Buyer agrees, however, that Seller shall retain a purchase money security interest in all Products sold by Seller to Buyer, and to all Products now or hereafter acquired by Buyer (the "collateral"), and to any proceeds thereof, until the purchase price and any other charges due to Seller shall have been paid in full. Buyer agrees to execute any financing statements or other documents as Seller may request in order to protect Seller's security interest. Upon any default by buyer hereunder, Seller shall have all rights and remedies of a secured party under the Uniform Commercial Code, which rights and remedies shall be cumulative and not exclusive.

5. All Products shall be deemed acceptable by Buyer unless within thirty (30) days from the invoice date, Buyer shall notify Seller in writing that such Products are damaged or defective. Any claims for shortages must be made to Seller in writing within ten (10) days from the invoice date. All returns must be authorized by Seller. No return will be accepted without an RMA number from the Seller. There is a 25% restocking fee on any returned items to RSA stock. Items returned to the Manufacturer are subject to Manufacturer's restocking fee. All claims and returns must be submitted to Seller's facility issuing the invoice.

6. In the event of Buyer's default in payment for the Products, Buyer shall be responsible for all reasonable costs and expenses incurred by Seller in the collection of any sums owing by Buyer and Seller shall not be obligated to make any further deliveries to Buyer. Such reasonable costs and expenses shall include, but not be limited to, reasonable attorney's fees at both the trial court and appellate court levels. Should Buyer elect to cancel its order, Buyer shall be liable to Seller for reasonable cancellation charges which shall include, but not be limited to, all costs and expenses incurred by Seller in connection with procuring and filing Seller's order, but shall not exceed the actual resale price of the Products with respect to which the order was canceled.

7. Seller will not be liable for any failure or delay in the performance of orders or contracts, or in the delivery or shipment of Products, or for any damages suffered by Buyer by reason of such delay, when such delay is, directly or indirectly, caused by, or in any manner arises from fires, floods, accidents, riots, Acts of God, war, governmental interference, or embargoes, strikes, labor deliveries by Seller's vendors or any other cause or causes (whether or not similar in nature to any of these hereinbefore specified) beyond its control.

8. All sales shall be governed by the laws of the State of Indiana. Seller and Buyer mutually agree that venue for any action at law or in equity to enforce the terms of this agreement by either party shall be Wabash County, Indiana.

9. All sales shall be made only upon the terms and conditions set forth herein.

This invoice (and not any purchase order or other document of Buyer) shall be deemed an offer or counter-offer. Buyer, by accepting the Products, shall be deemed to have assented to the terms and conditions set forth in this invoice or other document hereafter sent by Seller notwithstanding any terms contained in any prior invoice or communication from Buyer and whether or not Seller shall specifically or expressly object to any such terms. The terms and conditions set forth herein may in some instances conflict with some of the terms and conditions set forth in the purchase order or other document used by Buyer. Seller's failure to object to any provisions contained in any document or other communication from Buyer shall not be deemed a waiver of any of the terms hereof. Any changes in the terms and conditions set forth herein must be specifically agreed to in writing by a duly authorized officer of Seller before coming binding on either Seller or Buyer.

10. **Important:** The products provided by RSA, Inc. are not authorized for use as critical components in any life support devices or system whatsoever without the express failure written approval of the president of RSA, Inc.

a. Life support devices or systems are devices or systems which, (1) are intended for surgical implant into the body, or (2) support or sustain life, and whose failure to perform, when properly used in accordance with instructions for use provided in the labeling, can be reasonably expected to result in a significant injury to the user.

b. A critical component is any component of a life support device or system whose failure to perform can be reasonably expected to cause the failure of the life support device or system, or to affect its safety or effectiveness.

11. **Important:** In addition to the foregoing and without limiting or modifying the foregoing, Seller hereby expressly prohibits the use of its products or any component parts thereof in or on personal safety devices including, but not limited to, punch presses or any other dangerous machinery in which the failure of such product could cause serious bodily injury, without the express written consent of Seller. The definitions of "personal safety devices" and "other dangerous machinery" shall be those definitions formulated by Seller in Seller's sole discretion and will be provided to Buyer upon written request.

All Product warranties, if any, by the manufacturer or supplier other than RSA are theirs, not RSA's and only such manufacturer or other supplier shall be liable for performance under such warranties.