

# INET COMPUTERS, INC., iNET-WEB TERMS AND CONDITIONS OF QUOTATION and SALES POLICY

1. Agreement Governed by Following Terms and Conditions and No Others. The following is a statement of Inet Computers, Inc, iNET-WEB ("*Inet*") conditions of sale which are made part of Inet's sales quotation. The acceptance of the sales quotation is limited to the acceptance of the express terms and conditions of the sales quotation contained herein. Any proposal for additional or different terms (*except for quantity of a specified item*) or any attempt by the Purchaser to vary in any degree any of the terms of this sales quotation and this acceptance is hereby objected to and rejected. Any such modification shall not operate as a rejection of the sales quote but rather shall be deemed a material alteration thereof and this sales quotation shall be deemed accepted by the Purchaser without any additional or different terms. Purchaser shall be deemed to assent to these terms and conditions of sale by issuance of a purchase order in response to this offer or by the accepting of delivery of any products ordered from Inet unless Inet is advised to the contrary in writing and any modified terms agreed to by both parties.
2. **Acceptance by Inet**  
Acceptance hereof shall occur when: (i) Inet received in writing, by facsimile transmittal ("*Fax*") (ii) Purchaser deposits a signed sales quotation in the United States Postal Service with proper postage affixed thereto, or delivers said quote to a commercial delivery service (iii) Inet receives an electronic transmission ("*E-mail*") any of which acknowledges acceptance of these additional terms and conditions or otherwise orders any of products, or authorizes the Purchaser to perform any services requested on the face Inet sales quotation, or (iv) Purchaser receives any services from Inet, whichever occurs first.
3. **Shipping Terms - Risk of Loss, Delivery, Claims and Delays**  
All products are sold F.O.B. Inet's facilities. Purchaser shall bear all risk of loss or damage in transit, and shall pay all shipping and handling charges. No loss or damage shall relieve Purchaser of any obligation hereunder, including payment for lost or damaged goods. Insurance coverage for the costs of loss or damage shall be the sole responsibility of the Purchaser through the purchase of its own insurance protecting it or through coverage's provided by any common carrier.
4. **Installment Delivery**  
Inet may deliver its product in installments with each installment to be separately invoiced and paid for when due. Any delivery not in dispute shall be paid for regardless of any controversies relating to other deliveries. A dispute as to any delivery shall not relieve Purchaser of its obligation to accept and pay for any other delivery installment.
5. **Deliver Times**  
Time is not of the essence as to any agreement or contract arising from or out of this sales quotation unless specifically noted to the contrary. Any delivery or performance date for the goods and/or services specified by the Purchaser is a desired and not a promised date.

**6. Delivery Inspection**

Claims for damages, errors in function or failure of products to conform to Purchaser's specifications must be made in writing to Inet to the attention of an Inet representative within ten (10) days from delivery at Purchaser's facilities or other specified destination. Failure to give such notice shall constitute the Purchaser's unqualified acceptance of delivery and waiver of any such claims. Upon receipt of notice Inet shall take all immediate action to repair, replace or modify the non-conformance without charge to the Purchaser.

**7. Force Majeure**

Inet shall not be responsible for, nor liable for any damages resulting from its failure to deliver any goods or services hereunder if such failure is the result of any cause not reasonably foreseeable, or beyond Inet's control including, without limitation, an act of God act of the Purchaser embargo or other government act, regulation or request fire accident strike (*not including Inet's own labor force*), slowdown war, riot, delay in transportation, inability to obtain necessary labor, materials, or manufacturing facilities.

**8. Title Passage and Insurance**

Except as otherwise expressly stated herein, title of and risk of loss or damage to goods shall be transferred from Inet to Purchaser at such time as the product has effectively been delivered to common carrier at Inet's facilities. Notwithstanding the foregoing, such passage of title does not in any way impair a security interest created in the goods the result of credit extended by Inet to the Purchaser.

Purchaser shall undertake to insure all hardware purchased or software delivered to cover all risks and losses including risks and losses from claims of the Purchaser and/or other third parties and shall pay all premiums for taking out the aforesaid insurance coverage. Any insurance proceeds collected by Purchaser for Inet's account shall be promptly remitted to Inet. Any insurance policies purchased shall be for the benefit of Inet, whether Inet is named as an insured in such policies. Purchaser shall provide Inet with the certificates of all insurance purchased hereunder and together with the copies of receipts relating to the premiums paid by Inet before delivery of the goods.

**9. Changes/Modifications**

Upon termination for any reason, Inet shall turn over to the Purchaser all work performed or in process. The Purchaser shall be required to pay for all services performed up through and including the date of termination if the termination was for convenience and not for cause on the part of Inet.

**10. Quotations and Prices**

Price and product quotations automatically expire thirty (30) calendar days from the date issued unless otherwise stated in the quotation and are subject to change or withdrawal at any time. Inet reserves the right to unilaterally extend such terms up to six (6) months from date of issuance. Inet's prices for equipment, unless otherwise specified, do not include an allowance for installation and/or final on-site adjustment.

#### **11. Terms of Payment**

Invoices are immediately due and payable ("*Due Date*"). Any amount not paid within 30 days of the Due Date shall be subject to a finance charge of one and one-half percent (1.5%) per month until paid. Purchaser agrees to pay all Inet's reasonable attorney fees, collection fees, and costs arising out of Purchaser's failure to pay, or any breach by the Purchaser of any agreement or contract arising from or out of this Contract. No interest will be paid by Inet on advanced payments received by Inet.

#### **12. Invoice Schedule**

The schedule for any progress payments shall be those as specifically outlined on the face of this sales quotation.

#### **13. Credit Approval**

The shipment and delivery of goods and the performance of work shall at all be subject to the approval of Inet's credit department. Inet may, at any time, decline to make any shipment, deliver or perform any work except upon receipt of payment or upon terms and conditions or security satisfactory to Inet. Inet has the sole discretion of terminating any credit line established for the benefit of the Purchaser. If the Purchaser's credit status is C.O.D., Inet reserves the right to charge additional shipping and handling fees.

#### **14. Deliveries to Third Parties**

In the event Purchaser requests Inet to deliver samples or other products to third parties, Inet at its discretion may do so, but deliveries shall be subject to these terms and conditions and Inet shall have no liability which would arise in whole or part as a result of the Purchaser's failure to inspect a finished product due to its direct transmittal to a third party. Inet shall have no liability for costs incurred by the Purchaser with such third parties for any reason whatsoever.

#### **15. Inet Technical Information and Art Work**

Any sketches, models, samples or art work prepared or made by Inet pursuant to any sales presentation or order shall remain solely the property of Inet to be used in any manner as Inet desires. Inet shall have no obligation to retain such materials for any specified length of time while to complete freedom to dispose of the same in its sole discretion so as long as it does not violate any other term or condition of this agreement.

#### **16. Taxes and Other Charges**

Any tax, fee, or charge of any nature whatsoever imposed by any federal, state, county or local governmental authority related to the manufacturing of the product subject to this sales quotation shall be paid by Inet inclusive of the prices quoted. Any tax, fee or charge of any nature whatsoever imposed by any federal, state, county or local governmental authority related to the installation of these devices at Purchaser's plant or other third party designees plant or facility shall be paid by Purchaser in addition to the prices quoted or invoiced. All shipping and handling charges of any nature whatsoever associated with Inet's shipment of product under any agreement or contract arising from or out of this Quotation shall be paid by the Purchaser in addition to the prices quoted or invoiced.

**17. Required Environmental Protection Engineering**

In the event that Inet shall be required by any federal, state, county or local governmental authority, including any government agency, regulatory body, law, rule, regulation, or order, to implement technologies for the protection of the environment, which technologies are not in place at the time of this Quotation at Inet's facility, or a facility selected by Inet for production, or to change operations because the environmental impact of the production techniques required to complete Purchaser's order, Inet shall be entitled to pass on to Purchaser the increased cost to Inet of the required technology and the same shall be deemed added to the prices quoted herein and order(s) submitted.

**18. Disclaimer of Damages**

Except for Inet's willful misconduct or any claims arising out of or related to intellectual property infringement, Inet SHALL NOT BE LIABLE FOR ANY TYPE OF SPECIAL, CONSEQUENTIAL, INCIDENTAL, PUNITIVE OR PENAL DAMAGES, WHETHER SUCH DAMAGES ARISE OUT OF OR ARE A RESULT OF BREACH OF CONTRACT, WARRANTY, TORT (*INCLUDING NEGLIGENCE*), STRICT LIABILITY OR OTHERWISE. Such damages shall include but not be limited to loss of profits or revenues, cost of substitute goods, facilities down time costs, increased construction costs or claims of the Purchaser's customers or claims of the Purchaser's contractors for such damages. Purchaser agrees that in the event of a sale, transfer, assignment, or lease of the products sold under any agreement or contract arising from or out of this Quotation, the Purchaser shall secure for Inet the protections afforded to it in this paragraph.

**19. Limitation of Damages**

Purchaser agrees that Inet's liability and Purchaser's remedy for damages, whether in contract, in tort, under any warranty, in negligence, or otherwise, shall not exceed the amount of the purchase price paid by Purchaser to Inet. The price stated for the goods and/or services is based upon and in consideration for limiting Inet's liability as set forth herein. No action arising out of the transactions under any agreement or contract arising from or out of this Quotation may be brought by Purchaser more than two (2) years after the date of shipment of the goods or performance of the services.

**20. Limitation of Liability**

Inet shall not be liable for any loss, claim, expense or damage caused by, contributed to by or arising out of the acts or omissions of Purchaser or third parties, whether negligent or otherwise.

**21. Indemnification**

The Purchaser shall defend, indemnify and hold Inet, employees and affiliates harmless from and against all claims, demands, liabilities, causes of action, damages, losses, judgments, awards, costs and expenses (*including reasonable attorneys fees, expert fees and court costs and expenses*) for bodily injury or death or damage to property or otherwise to the extent arising out of or relating to or resulting in any way from the enforcement of this indemnity or from defects in the functional specification, design or processes negligently supplied by the Purchaser or its customer [unless Inet knew or should have known by exercising reasonable

practices in the performance of its work that such specifications, design or processes relating to Inet's scope of work were defective]. Notwithstanding any provisions to the contrary, the Purchaser shall, at no cost or expense to Inet indemnify, defend, and hold Inet harmless against any and all losses, damages, and expenses (*including punitive damages, multiple damages, attorney fees, and other costs of defending any action*) that Inet may incur as a result of any claim made against Inet by any person including, without limitation, Purchaser, its successors, assigns, actually or allegedly arising in any way out of any of the products or services furnished hereunder by Inet or out of any products manufactured or sold by Purchaser including, without limitation, any claim which in whole or in part actually or allegedly arises out of: Inet's negligent or other wrongful act or omissions, danger or defect in any product or service sold by Inet to Purchaser, or infringement by Inet of any patent, copyright, or trade secret relating to any Design Work or to any products made by Inet for Purchaser.

## 22. **Default**

Upon Purchaser's failure to pay or otherwise perform in accordance with the terms of this Quotation, all amounts owing to Inet by Purchaser shall, at Inet's option and without notice, become immediately due and payable. In addition to all the rights and remedies of a seller of goods and/or a secured party under the Wisconsin Uniform Commercial Code and other applicable law, Inet may require Purchaser to assemble the goods for shipment at a place designated by Inet which is reasonably convenient to both parties and/or may take immediate possession of the goods or render them unusable and sell, lease or otherwise dispose of them in whole or in part, at public or private sale, on or off the premises of Purchaser. Upon default, Purchaser shall be liable for all costs of collection and realization on the collateral, including Inet's attorney's fees if placed in the hands of an attorney for collection.

## 23. **Warranty**

Inet warrants that the product manufactured and the design of the product matches its functional specifications and that the final will meet industry standards. Any product, which proves to be defective in design, material or workmanship, within 36 months after shipment from Inet, shall be repaired or replaced at the Inet's sole option. Replacement shall be the Purchaser's exclusive remedy for the breach of Inet's warranties. The Purchaser shall give Inet written notice on the alleged defects once the Purchaser has been made aware of such defects by the Purchaser but in no case later than 30 days after receipt of the shipments by the Purchaser. Upon request, the Purchaser shall return the allegedly defective items F.O.B. Inet's factory, transportation charges prepaid. No warranty hereunder shall be assignable or transferable by the Customer, or inure of any third party.

THE FOREGOING WARRANTY AND REMEDY ARE EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES, CONTRACT OR TORT LIABILITY AND ALL OTHER WARRANTIES OR RIGHTS OF REJECTION, EXPRESS OR IMPLIED BY LAW, EQUITY, CONTRACT, CUSTOM, USAGE, OR COURSE OF DEALING INCLUDING, BUT NOT LIMITED TO, WARRANTIES OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE. INET SHALL NOT BE LIABLE TO PURCHASER OR ANY OTHER PERSON FOR ANY CONSEQUENTIAL, INCIDENTAL, EXEMPLARY, PENAL, PUNITIVE, OR CONTINGENT DAMAGES WHATSOEVER.

#### 24. **Patents**

Inet neither warrants nor represents that any products or services furnished hereunder may be patentable or copyrightable. Purchaser shall review and approve all software design, source code, renderings, diagrams, specifications, models, and prototypes prepared for Purchaser by Inet (*collective "Design Work"*). Such approval shall constitute Purchaser's warranty and representation to Inet that no Design Work or product produced by Inet for Purchaser infringes upon any patent, copyright, or trade secret. Purchaser acknowledges that Inet is relying upon Purchaser's representations herein and that Inet has not made, and is not obligated to make, any independent inquiry or investigation. The Purchaser shall indemnify and hold harmless Inet, its successors, assigns and customers from and against any and all claims, liability, loss and damages, including without limitation, costs, expenses and attorney fees, arising out of or related to any claim of intellectual property infringement. If, in any action hereunder, the product provided by the Purchaser is held to infringe or enjoins the use thereof, the Purchaser shall at its expense, subject to Inet's approval: (i) procure for the user the right to continue using the product or (ii) modify the product without a material impact on the operation of the user's business so the product becomes non-infringing or (iii) replace the product with an equivalent non-infringing product. The Purchaser shall have no obligations hereunder and this provision shall not apply to design or processes supplied by Inet.

#### 25. **Ownership**

It is understood and agreed that any inventions, ideas or original works of authorship in whole or in part conceived, created or made by Inet arising out of or relating to its performance under this Agreement, including, without limitation, the software package (*And iNET's Web Content Management System*) or hardware package (*including all functional and technical designs, programs, modules, code, algorithms, flowcharts, data diagrams, documentation and the like*) designed and developed by Inet hereunder, shall be the product of Inet to the Purchaser and shall not be deemed part of the products to be delivered to the Purchaser under this Agreement. Without limiting the foregoing, the Purchaser expressly agrees that such original works of authorship shall not be deemed to be "works made for hire" and that Inet shall be deemed the author thereof under US Copyright Act (*Title 17 of the US Code*) the Purchaser hereby irrevocably assigns and transfers to Inet all rights, title and interest in such works, including but not limited to copyrights.

#### 26. **Waiver**

No provision hereof and no breach of any provision hereof shall be deemed waived by any previous waiver of such provision or of any breach thereof, by any previous custom, practice, or course of dealing or by either party's failure to object to provisions contained in any communication or order.

#### 27. **Entire Agreement**

This document constitutes the entire agreement between Inet and the Purchaser.

#### 28. **Applicable Law**

This agreement shall be governed by and be construed according to its terms and the internal laws of the State of Wisconsin. Wisconsin courts shall be the only forum

for any disputes arising hereunder. Inet and the Purchaser consent and submit to the exercise of personal jurisdiction by the circuit courts located in Waukesha County, State of Wisconsin.

**29. Severability**

Any provision hereof prohibited or unenforceable under applicable law shall be ineffective only to such extent and without invalidating the remaining provisions of this document.

**30. Hazardous Materials**

Inet shall notify the Purchaser of all "hazardous materials" as that term is defined in applicable federal, state and local statutes, which are contained in the product. Seller shall furnish the Purchaser with copies of all applicable material safety data sheets for product no later than the date of first shipment pursuant to this order.

**31. Alternative Dispute Resolution**

Any controversy or claim arising out of or relating in any way to this contract, or the breach hereof, shall be settled by mediation in Waukesha, Wisconsin in accordance with rules established by the mediator selected by the parties. In the event the parties fail to reach agreement through the mediation process, the parties may settle this dispute by submission of the matter to the Wisconsin Circuit Courts with jurisdiction and venue established as outlined in paragraph 30 above.

**32. Compliance with Certain Laws**

[Inet warrants to the Purchaser that the product and services supplied hereunder will comply in all respects with all applicable federal, state and local, health and safety and licensing laws and regulation including without limitation OSHA. Inet certifies to the Purchaser that the items purchased hereunder are produced or performed in compliance with all applicable requirements of the Fair Labor Standards Act of 1938, as amended. Inet shall comply, unless this transaction is exempt under applicable regulations, with all the provisions of Executive Order 11246 of September 4, 1965, as amended, and with the relevant orders of the Secretary of Labor relating to Equal Employment Opportunity, and clauses thereby required are incorporated herein by reference.] If this order is subject to government contracting mandates, Purchaser will so state on the face hereof, and if so stated, as a condition to the effectiveness of this order, Inet agrees to certify to Purchaser by separate writing that it complies with all government contract requirements applicable to Purchaser, the Seller and to the goods and services to be provided hereunder.

**33. Assignment**

The Purchaser shall not assign this agreement, in part or in whole, without the prior written consent of Inet.

**34. Confidential Information**

Inet agrees to treat and protect from disclosure all information and materials received from the Purchaser or its customer as confidential information and to use the information only as intended by this Agreement and no other purpose.