

STANDARD TERMS AND CONDITIONS

Unless otherwise noted, the following terms are considered to be the basis of any order.

Pricing: The prices charged are based on the information provided. Should the scope of work change due to client requirements, or as a result of new legislation, Monitoring Solutions ("MSI") reserves the option to review and revise our pricing. No contract or change order will be binding unless approved by us in writing.

Taxes/Duties: Prices are exclusive of all duties, licenses or taxes of any kind.

Freight: Goods are shipped Freight Prepaid and Added to Invoice, FOB Indianapolis, IN or Hampton, NJ.

Travel Time and Expenses (T&E): Employee travel time, travel expenses, and on-location living expenses are excluded from the prices quoted. These items will be billed in addition in accordance with our Standard Rate Schedule.

Payment Terms:

Progress Payments for System Orders

- 20% with purchase order
- 20% upon delivery of approval drawings
- 20% upon notification of start of assembly
- 35% upon shipment
- 5% upon system start-up or 6 months after shipment, whichever occurs first

Payments for Parts

- 100% upon shipment

Payments for Analyzers

- 20% Deposit with Purchase Order
- 80% upon shipment

Payments for Service Contracts

- 100% of fixed portion with Purchase Order
- 100% of variable portion as incurred

These payment terms are dependent upon Purchaser's credit history and are subject to change. All invoices will be due NET 30 days, with a late payment penalty the greater of \$50 or 1.5% of the past due amount. Delays in payments may result in delays in project completion, suspension of services and/or revocation of credit. Progress payments reflect work performed and expenses incurred by MSI. Once invoiced, payments are due and non-refundable. An early termination fee equal to 50% of the remaining balance applies to support agreements. Purchaser shall pay all costs, including reasonable attorney's fees, related to collection of any amounts due.

Indemnification: Purchaser shall defend, indemnify, and hold MSI harmless from and against all claims, damages, losses, liabilities, costs and expenses (including reasonable attorney's fees) arising out of its obligations under this contract or purchase order. In no event shall MSI be liable for consequential or incidental damages or back charging of any kind.

License/Sublicense Agreements: Customer agrees to sign and abide by any license or sublicense agreements pertaining to software products purchased from MSI.

Title to Goods: All material included in the order or contract is to remain the property of, and title shall remain with, MSI until fully paid for in cash. Purchaser shall, on demand of MSI, execute and deliver to MSI such instruments as MSI may deem necessary to protect its interests in such title in accordance with the laws of the State in which such chattels may be shipped or at any time located.

Representative Sample Point: Customer is responsible for providing sample point(s) that are representative of the flue gas make-up. MSI is not responsible for incorrect readings due to stratification or non-representative sample points.

Calibration Gases: If MSI's scope of supply includes calibration gases, MSI will order the calibration gases and transfer responsibility for the cylinders via a cylinder custody transfer form. The customer must complete, sign, and return this form prior to delivery of the gases. The customer is responsible for paying the tank rental and responsible for returning the tanks to the gas supplier.

Warranty: MSI warrants that all goods and services sold under this contract are free from defects in material and workmanship, and conform to the written specifications.

This limited warranty is valid for a period of twelve (12) months from the date of original shipment of system or ninety (90) days from date of shipment of parts or performance of service. Warranty claims shall not extend the warranty period. MSI will repair or replace, at its option, goods found to contain defects in material and/or workmanship, provided that MSI is notified of such defects within the warranty period and provided that the equipment supplied has been operated and maintained in accordance with instructions as described in operation and maintenance manuals. Repairs or replacement will be performed at MSI's factory, or a location designated by the Purchaser. Purchaser will pay all charges associated with removal, transportation, and reinstallation of the equipment. In the event Purchaser elects to have the goods repaired or replaced on location, Purchaser agrees to pay MSI for all associated travel time and expenses, as previously defined. Correction of any nonconformity and/or defect will constitute complete fulfillment of all liabilities of MSI under the foregoing warranty.

For those systems including CEMDAS software, the Purchaser shall make available a Virtual Private Network (VPN) or dedicated modem line for remote warranty support. MSI's limited warranty provides telephone support for defects and limited operational support. Software service contract must be purchased for operational support or for any support after the warranty period.