

ALL SALES BY HUDSON TECHNOLOGIES ("Hudson") ARE SUBJECT TO THE FOLLOWING TERMS AND CONDITIONS. "Goods" refers to the product or products being sold by Hudson.

1. Agreement. Hudson's quotation is an offer which may be changed or with-drawn by Hudson at any time before it is accepted by Buyer. Any Purchase Order covering the Goods specified herein shall be considered by both the Buyer and Hudson to be merely an acceptance of the exact terms and conditions set forth herein. Hudson objects to and will not agree to any terms that are additional or different from the terms of this offer. If Buyer has not otherwise agreed to these terms and conditions of sale. Buyer's acceptance of delivery of, or payment for, the Goods will constitute Buyer's acceptance of these terms and conditions. These terms and conditions are intended by Hudson and Buyer as the final expression and exclusive statement of the terms and conditions of their Agreement. Any addition to, change in, or waiver of, any provision of this Agreement must be made in writing and signed by Hudson.

2. Notice. Any notice required hereunder shall be given in writing to Hudson at Hudson's home office in Ormond Beach, Florida, and to Buyer at Buyer's home office, unless Buyer designates in writing another address for such notices.

3. Price and Price Adjustment. Except as otherwise stated herein, all prices quoted by Hudson may be withdrawn at any time prior to Buyer's acceptance. Prices for Goods requiring manufacturing or print approval by Buyer are subject to adjustment at the time such approval is granted. Any such adjustment shall be equal to any percentage adjustment in Hudson's published prices from the date of Hudson's quotation to the date of Buyer's manufacturing or print approval.

4. Taxes, Duties and Fees. Hudson's stated price does not include any privilege, occupation, personal property, value-added, sales, excise, use, or other tax, or any import or export duties, licenses, permits, and fees, and Buyer shall be liable for all such taxes, duties and fees, whether or not invoiced by Hudson.

5. Payment Terms. Unless otherwise agreed in writing, payment in full of the price is due thirty (30) days from the date of Hudson's invoice, without discount.

6. Solvency and Security Interest. Buyer represents to Hudson that Buyer is solvent. Buyer grants Hudson a security interest in all Goods to secure Buyers present and future obligations to Hudson. At Hudson's request, Buyer shall give Hudson a signed financing statement reflecting this security interest.

7. Title and Risk of Loss. All Goods are shipped F.O.B. Hudson's plant. Title and risk of loss shall pass to Buyer upon Hudson's delivery of the Goods to the original carrier. Buyer has the responsibility for filing claims for loss or damage in transit.

8. Delivery. Shipping dates are estimates only. All deliveries are subject to modification or cancellation due to events beyond Hudson's control, including, but not limited to, storms, floods, acts of God, fires, strikes, walkouts, riots, war, failure to secure materials from usual sources of supply, and revisions requested by Buyer in engineering plans, drawings, and technical designs. Hudson shall not be liable for any loss of incidental, consequential, or other damages for any such delay or failure to deliver. Hudson shall have the right to deliver all of the Goods at one time or in portions from time to time.

9. Specially Manufactured Goods. Only specialized, non-reusable tooling or other equipment created for the particular needs of Buyer's order that Hudson uses in manufacturing Goods designed to Buyer's specifications and that Buyer is charged and pays for is part of the sale to Buyer. Any unspecialized, reusable tooling or other equipment that Hudson may use in manufacturing Goods designed to Buyer's specifications is not part of the sale to Buyer.

10. Buyer's Materials. If Buyer desires to use materials of its own, Buyer shall submit samples to Hudson for suitability and pricing determinations. Buyer shall furnish materials, shipment prepaid, with proper identification, including Buyer's name, Buyer's purchase order number, and project name. Hudson shall not be liable for the performance of Buyer's materials.

11. Cancellation or Delay by Buyer. After Buyer has accepted Hudson's quotation, Buyer may not cancel, delay, or interrupt the manufacture or shipment of the Goods without Hudson's consent. If Buyer causes or requests cancellation, delay beyond Hudson's current estimated delivery dates, or interruption in the manufacturer or shipment of the Goods, Buyer shall pay Hudson for all damages resulting therefrom including, but not limited to, payment of reasonable storage expenses for the Goods during any delay or interruption, and payment for all work completed, and all other costs plus overhead and normal profit for any cancellation.

12. Warranties. All warranties herein are subject to the limitation in Paragraph 14 and Buyer's obligations in Paragraph 15. For a period of one (1) year after the date of shipment, Hudson warrants that the Goods shall be free from defects in material and workmanship and will in all material respects meet the specifications described in Hudson's proposal as accepted by the Buyer. For purposes of this paragraph, a defective item is an item which is found by Hudson to have been defective in materials or workmanship or to have failed to meet material specifications, if the defect materially impairs the value of the Goods to Buyer, provided, however, that if Buyer shall have approved a sample, drawings of, or specifications for, the Goods, then the Goods shall not be defective to the extent they conform to the sample, drawings, or specifications.

No representative, agent, or dealer of Hudson has authority to modify, expand, or extend this Warranty, to waive any of the limitations or exclusions, or to make any different or additional warranties with respect to the Goods.

13. Buyer's Remedies. All remedies herein are subject to the limitations in Paragraph 14 and Buyer's obligations in Paragraph 15. If any item of the Goods proves to be defective within the warranty period, and if Buyer promptly notifies Hudson of the defect in writing within thirty (30) days of discovery of the defect and within the warranty period. Hudson, at its expense, and at its option, shall either repair or re-place the defective item. Goods soiled or broken in Buyer's assembly operations are not deemed defective and are not subject to repair or replacement. Repair or replacement does not include any cost of removal or reinstallation of the defective item.

(a) Buyer shall not return any Goods to Hudson unless Buyer has obtained a Return Materials Authorization ("RMA") from Hudson's headquarters in Ormond Beach, Florida. After receiving the RMA, Buyer shall ship the Goods, freight prepaid to Hudson at its plant in Ormond Beach, Florida.

(b) If time prevents return of the Goods to Hudson for repair or replacement, Hudson may, at its option, authorize Buyer to repair complete processing of the Goods so they may meet Buyer's specifications. Buyer shall not undertake repair or completion without written authorization from Hudson. If Hudson authorizes Buyer to repair or complete the Goods, Hudson shall issue credit to Buyer covering all or part of the purchase price, as Hudson shall determine.

(c) If Hudson opts not to repair or replace a defective item after Buyer returns it to Hudson, Hudson shall issue credit to Buyer covering all or part of the purchase price, as Hudson shall determine.

This paragraph sets forth Buyer's sole and exclusive remedies for any defect in the Goods. In no event shall Hudson's liability for any defect in the Goods exceed the purchase price of the Goods.

14. Limitations of Warranties and Remedies. THE WARRANTIES PURPOSE HEREIN ARE IN LIEU OF ALL WARRANTIES, EXPRESS, IMPLIED, STATUTORY, OR OTHERWISE. IN PARTICULAR HUDSON MAKES NO WARRANTY OF MERCHANTABILITY OR ANY WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE. HUDSON SHALL HAVE NO LIABILITY TO BUYER FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES OF ANY KIND WHATSOEVER, INCLUDING, BUT NOT LIMITED TO, PERSONAL INJURY, PROPERTY DAMAGE, LOST PROFITS, OR ANY OTHER BREACH BY HUDSON. HUDSON SHALL HAVE NO LIABILITY FOR DAMAGE OF ANY KIND ARISING FROM THE ALTERATION, USE, OR MISUSE OF THE GOODS WHATSOEVER, INCLUDING DUE TO ANY DEFECT IN THE GOODS. HUDSON SHALL HAVE NO LIABILITY TO THE BUYER IN TORT FOR ANY NEGLIGENT DESIGN OR MANUFACTURE OF THE GOODS, OR FOR THE OMISSION OF ANY WARNING THEREFROM.

15. Buyer's obligations. Buyer agrees that

Before using the Goods, Buyer shall determine the suitability of the Goods for Buyer's intended use and shall assume all risk and liability whatsoever in connection with that determination;

Buyer shall use the Goods properly and according to any instructions included with the Goods; and

Buyer shall not in any way alter the Goods without Hudson's written approval. If Buyer shall breach any of its obligations, Hudson's warranty shall be null and void and Buyer shall be in breach of this Agreement.

16. Indemnifications. Buyer agrees to indemnify, hold harmless, and defend Hudson if it requests, from any and all liabilities, damages, losses, claims, and expenses, including attorneys' fees suffered or incurred by Hudson as result of, or in connection with, Hudson's manufacture of Goods to Buyer's specifications; any act, omission, or use of the Goods by Buyer, its employees, or customers; or any breach of this Agreement by Buyer. In particular Buyer shall indemnify and hold Hudson harmless as to any claim by, or any loss, damage, or liability arising out of injury to any third party, including any employee of Buyer.

17. Compliance with Regulations. Unless otherwise agreed in writing, Hudson shall not be liable to Buyer for, and Buyer agrees to indemnify Hudson as to any liability arising or alleged to arise out of any failure of the Goods covered by this Agreement to conform to any federal, state, or local law, order, regulation, or standard.

18. Hudson's Rights. Hudson shall have all rights and remedies given to sellers by applicable law. Hudson's rights and remedies shall be cumulative and may be exercised from time to time. Hudson shall not lose any right because Hudson has not exercised it in the past.

19. Applicable Law. Buyer and Hudson agree that this Agreement will be governed by, and interpreted according to, Florida law, without regard to conflict of law principles with the provision that any action for a breach of the Agreement must be commenced within one (1) year after such breach. Any lawsuit arising out of this Agreement or the Goods may be handled by any federal or state court in Volusia County, Florida, and Buyer consents that the court shall have personal jurisdiction over Buyer.

20. Severability. If any provision of this Agreement is invalid or unenforceable under any law, the provision shall be ineffective to that extent and for the duration of the illegality, but the remaining provisions shall be unaffected.

