



Morehouse
THE FORCE IN CALIBRATION SINCE 1925

ISO/IEC 17025 / ANSI/NCSLI Z540.3 Accredited

These Terms of Sale ("Terms") apply to Services (as hereinafter defined), provided by Morehouse Instrument Company, Inc. ("Morehouse") to customers ("Customer", "you" or "your"). By ordering or accepting any Quote issued by Morehouse (each a "Quote") or Services in any manner, you are bound by these Terms. If you are accepting these Terms on behalf of a company, organization, government, or other legal entity, you represent and warrant that (a) you are authorized to do so, (b) the entity agrees to be legally bound by these Terms, and (c) neither you nor the entity are barred from using the Services or accepting these Terms under the laws of any applicable jurisdiction.

- Services.** As used herein "Services" means products and services provided to you by Morehouse, excluding Third-Party Products. "Third-Party Products" means third party information, materials, hardware, software, products, or services that are referenced in any Quote or provided in connection with Services.
- Ordering Process.** Quoted prices are effective until the expiration date of the applicable Quote but may change due to shortages in materials or resources, increase in the cost of manufacturing, or other factors. Customer may order the Services by issuing a Customer purchase order that references the Quote or paying (in full or in part) fees identified in the applicable Quote. Orders are subject to credit approval and are subject to acceptance by Morehouse; unless Morehouse has already otherwise accepted an order, full or partial performance of Services shall be deemed Morehouse's acceptance of the order. An accepted order shall include all terms specified in the applicable Quote, and is hereinafter referred to as an "Order." Morehouse may split an Order into separate transactions, each of which will form an Order. Orders may contain charges for shipping and handling. Orders are subject to availability and are cancellable only by Morehouse except as expressly permitted in the applicable Order. Morehouse is not responsible for pricing, typographical or other errors in any Quote and may cancel Orders affected by such errors. Customer may change or cancel an Order only as expressly permitted in a Quote or related Order. All Services and Third-Party Products will be deemed to be accepted upon delivery. Warranty terms are as set forth herein and in any express extended warranty terms attached to the applicable Quote (each, an "Extended Warranty"). Additional information about Morehouse's warranties can be found at <https://www.mhforce.com/Files/Warranty/WARRANTY-2-1-2017.pdf>.
- Software.** Customer's rights to use any software delivered by Morehouse in connection with the Services (excluding Third-Party Products, "Software") are governed by the terms of the applicable end-user license agreement delivered with the applicable Software.
- Proprietary Rights.** "Deliverables" means any reports, analyses, results, scripts, code, or other work product that Morehouse delivers to Customer within the framework of fulfilling obligations under an Order. "Proprietary Rights" mean all patents, copyrights, trademarks, trade secrets, or other intellectual property rights of a party. Subject to Customer's compliance with these Terms and the applicable Order, Customer's payment of applicable amounts due, and Morehouse's Proprietary Rights in any underlying intellectual property incorporated into any Deliverables or used by Morehouse to perform Services, Morehouse grants Customer a non-exclusive, non-transferable, revocable (in case of non-payment, or any breach of these Terms or the applicable Order) license to use (without the right to sublicense) the Deliverables provided by Morehouse for Customer's internal business purposes only and solely in accordance with the applicable Order and these Terms. Without limiting the foregoing, Customer will not, directly or indirectly: (a) reverse engineer, decompile, disassemble, or otherwise attempt to discover the source code, object code, or underlying structure, ideas, or algorithms of or included in the Services, any Deliverable, or any Software; (b) modify, translate or create derivative works based on the Services, any Deliverable, or any Software; or copy (except for archival purposes), distribute, pledge, assign or otherwise transfer or encumber rights to the Services, any Deliverable, or any Software; (c) use the Services or any Software for timesharing or service bureau purposes or otherwise for the benefit of a third party; or (d) remove any proprietary notices or labels therein. Customer may authorize its service providers to use the Deliverables solely on Customer's behalf and for Customer's internal business purposes, provided that Customer shall be responsible for its service providers' compliance with these Terms and the applicable Order as if the acts and omissions of such service providers were the acts and omissions of Customer. Morehouse reserves for itself all Proprietary Rights that it has not expressly granted to Customer herein. Morehouse is not and shall not be limited in developing, using, or marketing services or products that are similar to the Deliverables or Services provided hereunder, or in using the Deliverables or performing similar Services for any other customers.
- Changes.** Should either party wish to make any changes to any Services set forth in an Order, such party may propose such changes to the other party. Any changes requested by Customer may incur additional charges and/or an extension of applicable milestones or other schedules. If Morehouse agrees to the proposed changes, Morehouse shall provide Customer with an updated or new Quote ("Change Order"). No additions or other changes to an Order shall be effective unless such changes are in writing and delivered by Morehouse in the form of a new or updated Quote. Morehouse shall have no obligation to perform any Services to which the parties have not agreed in an Order or Change Order.
- Payment.** Customer agrees to pay Morehouse the fees for the Services as set forth in the applicable Order. Customer shall also reimburse Morehouse for all out-of-pocket costs and expenses reasonably incurred by Morehouse in connection with the Services. Customer shall pay Morehouse's invoices in full and in the same currency as Morehouse's invoice within the time noted on Morehouse's invoice, or if not noted, then within 30 days after the date of the invoice, with interest accruing after the due date at the lesser of 1.5% per month or the highest lawful rate. In case of Customer's default in payment Morehouse shall, until arrangements as to payment or credit have been established, be entitled to cancel or suspend performance of Services and provision of Deliverables and Third-Party Products. Morehouse may invoice parts of an Order separately or together in one invoice. All invoice terms will be deemed accurate unless Customer advises Morehouse in writing of a material error within 10 days following receipt. If Customer advises Morehouse of a material error, (a) any amounts corrected by Morehouse in writing must be paid within 14 days of correction, and (b) all other amounts shall be paid by Customer by the due date. If Customer withholds payment because Customer believes an invoiced amount is incorrect, and Morehouse concludes that the amount is accurate, Customer must pay interest on the unpaid disputed amount from the due date until Morehouse's receipt of payment. Customer may not offset, defer or deduct any invoiced amounts that Morehouse determines are correct following the notification process stated above. Fees set forth in an Order are exclusive of, and Customer shall pay or reimburse Morehouse for all value added (VAT), sales, use, excise, withholding, personal property, goods and services and other similar taxes, governmental fees, levies, customs and duties resulting from Customer's purchase of Services, except for taxes based on Morehouse's net income, gross revenue, or employment obligations. If Customer qualifies for a tax exemption, Customer must provide Morehouse with a valid certificate of exemption or other appropriate proof of exemption. If Customer is required to withhold taxes, then Customer will within 60 days of remittance to the applicable tax authority provide Morehouse with satisfactory evidence (e.g., official withholding tax receipts) that Customer has accounted to the relevant authority for the sum withheld or deducted, otherwise Morehouse will charge Customer for the amount that Customer has deducted for the transaction. If Morehouse is obligated by applicable law to collect and remit any taxes or fees, then Morehouse will add the appropriate amount to Customer's invoices as a separate line item in accordance with statutory requirements.
- Customer Obligations.** Customer acknowledges that successful informed cooperation from Customer is necessary for Morehouse to fulfill the terms of each Order. Customer agrees that it will obtain all necessary rights, permissions and consents associated with: (a) technology or data (including personal data) that Customer provides to Morehouse, and (b) software or other components that Customer directs or requests that Morehouse use with, install, or integrate as part of the Services. Customer is solely responsible for reviewing data that will be provided to or accessed by Morehouse in the provision of the Services to ensure that it does not contain: (i) data that is classified, ITAR (International Traffic in Arms Regulations) related data, or both; or (ii) articles, services, and related technical data designated as defense articles and defense services. Customer will provide Morehouse with such assistance as is reasonably required to complete the Services and provide the Deliverables and shall perform any other tasks in accordance with the applicable Order (collectively, "Customer Responsibilities"). Morehouse's performance is dependent on Customer's timely, accurate, and effective performance of all Customer Responsibilities and Customer's failure to satisfy such Customer Responsibilities may prevent or delay Morehouse's performance of the Services and/or require modifications to an Order, including but not limited to an adjustment to the schedule and/or fees.
- Term and Termination.** These Terms are effective upon the earlier of the effective date of an Order or Customer's acceptance of these Terms and shall continue until terminated in accordance with this paragraph. A termination for convenience of Services shall only be permitted if expressly agreed between the parties in writing. Either party may terminate an Order for material breach by the other party if such other party has failed to cure the breach within a reasonable grace period of no less than 30 days as set forth by the other party in writing. A termination of these Terms shall not affect any previously placed Orders. Upon termination of these Terms or any Order by either party for any reason: (i) Morehouse will cease providing the Services; (ii) Customer will not be entitled to any refunds of any fees or other amounts paid hereunder or pursuant to any Order, pro rata or otherwise; and (iii) any fees and other amounts payable or reimbursable to Morehouse will immediately become due and payable in full. All sections of these Terms that expressly provide for survival, or by their nature should survive, will survive termination of these Terms, including, without limitation, Sections 10 (Warranty Disclaimer), 11 (Indemnity), 12 (Limitation of Liability), 13 (Third-Party Products), 16 (Confidentiality), and 20 (Governing Law; Jurisdiction).
- Warranties.** Morehouse warrants that Deliverables, under normal usage and with regular recommended service, will be free from material defects in material and workmanship for a period of 120 days from the date of delivery (the "Deliverable Warranty"). Morehouse's entire liability for a breach of the Deliverable Warranty shall be for Morehouse, at its option and cost, to repair or to replace the affected Deliverable, and, if Morehouse is unable to effect such repair or replacement within a reasonable time, within a reasonable time following return of such Deliverable to Morehouse, for Morehouse to refund the amount Customer paid for the affected Deliverable as depreciated on a straight-line basis over a 5-year period. Morehouse will perform Services in a workmanlike manner in accordance with generally accepted industry standards (the "Services Warranty"). Customer's sole and exclusive remedy for a breach of the Services Warranty is for Morehouse to re-perform the non-conforming Services within 30 days of delivery (or such longer period as agreed to by the parties in writing), or at Morehouse's option, refund the fees paid for the non-conforming Services.
- Warranty Disclaimer.** The warranties set forth in Section 9 above and any Extended Warranty do not cover problems that arise from: (i) accident or neglect by Customer or any third party; (ii) any third party items or services with which the Services or Deliverables are used or other causes beyond Morehouse's control; (iii) installation, operation or use not in accordance with Morehouse's instructions and the applicable documentation; (iv) use in an environment, in a manner or for a purpose for which the Deliverable or Service was not designed; (v) modification, alteration or repair by anyone other than Morehouse personnel; or (vi) causes attributable to normal wear and tear or unusual physical or electrical stress. Morehouse has no obligation for: (a) Software installed or used beyond the licensed use, or (b) products and Deliverables whose original identification marks have been altered or removed. Deliverables and Services are not fault-tolerant and are not designed or intended for use in hazardous environments requiring fail-safe performance, such as any application in which the failure of the Deliverables or Services could lead to death, bodily injury, or physical or property damage (collectively, "High-Risk Activities"). Morehouse expressly disclaims any express or implied warranty of fitness for High-Risk Activities. WITHOUT LIMITING THE FOREGOING, THE EXPRESS WARRANTIES SET FORTH IN THESE TERMS AND ANY EXTENDED WARRANTY (IF APPLICABLE), ARE IN LIEU OF ALL OTHER WARRANTIES AND, TO THE MAXIMUM EXTENT PERMITTED BY





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- APPLICABLE LAW, MOREHOUSE HEREBY DISCLAIMS AND EXCLUDES ALL OTHER WARRANTIES, WHETHER STATUTORY, EXPRESS OR IMPLIED, INCLUDING IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND NON-INFRINGEMENT AND ALL WARRANTIES ARISING BY OPERATION OF LAW, COURSE OF DEALING, OR PERFORMANCE OR USAGE OF TRADE. EXCEPT AS EXPRESSLY SET FORTH IN THESE TERMS OR AN EXTENDED WARRANTY, MOREHOUSE, ON BEHALF OF ITSELF AND ITS LICENSORS AND SUPPLIERS, DOES NOT WARRANT THAT THE SERVICES AND DELIVERABLES PROVIDED BY MOREHOUSE WILL MEET CUSTOMER'S REQUIREMENTS OR THAT ANY ERRORS WILL BE CORRECTED.
11. **Indemnity.** You will defend, indemnify, and hold Morehouse and its suppliers and affiliates, and the respective directors, officers, employees and agents of each, harmless from and against any and all claims, losses, damages, liabilities and costs (including, without limitation, reasonable attorneys' fees and court costs) arising out of or relating to your breach of these Terms or any Order, or use by you or any third party (authorized, permitted or enabled by you) of the Services, except to the extent the foregoing directly result from Morehouse's own gross negligence or willful misconduct. Morehouse reserves the right, at its own expense, to assume the exclusive defense and control of any matter otherwise subject to indemnification by you.
 12. **Limitation of Liability.** TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, EXCEPT FOR CUSTOMER'S PAYMENT OBLIGATIONS OR ANY VIOLATION OF MOREHOUSE'S OR ITS SUPPLIERS' INTELLECTUAL PROPERTY RIGHTS, (A) IN NO EVENT WILL EITHER PARTY BE LIABLE TO THE OTHER PARTY, OR ANY THIRD PARTY, WHETHER IN CONTRACT, WARRANTY, TORT, OR OTHERWISE, FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, SPECIAL, EXEMPLARY, PUNITIVE, OR SIMILAR DAMAGES, INCLUDING DAMAGES FOR LOST REVENUE, PROFIT, OR BUSINESS ARISING OUT OF OR RELATING TO THESE TERMS OR ANY ORDER; AND (B) IN NO EVENT WILL EITHER PARTY'S TOTAL AGGREGATE LIABILITY (WHETHER IN CONTRACT, WARRANTY, TORT OR OTHERWISE) ARISING OUT OF OR RELATING TO THESE TERMS, ANY ORDER, ANY SERVICE, OR ANY DELIVERABLE, EXCEED THE TOTAL FEES ACTUALLY RECEIVED BY MOREHOUSE PURSUANT TO THE APPLICABLE ORDER DURING THE 12 MONTHS BEFORE THE DATE THAT THE CLAIM AROSE FOR THE DELIVERABLE AND/OR SERVICE THAT ARE THE SUBJECT OF THE CLAIM. The terms of this Section are agreed allocations of risk constituting part of the consideration for Morehouse's sale of Deliverables and Services to Customer and will apply even if there is a failure of the essential purpose of any limited remedy, and regardless of whether a party has been advised of the possibility of the liabilities.
 13. **Third-Party Products.** Morehouse may offer or supply Third-Party Products that are provided by a third-party manufacturer/supplier. Notwithstanding any other provisions herein, such Third-Party Products are subject to the standard license, services, warranty, indemnity and support terms of the third-party manufacturer/supplier (or an applicable direct agreement between Customer and such manufacturer/supplier), to which Customer shall adhere. Such Third-Party Products are not supported by Morehouse and Customer shall contact such third party directly for support. Any warranty, damage or indemnity claims against Morehouse in relation to such Third-Party Products are expressly excluded.
 14. **Trade Compliance.** Customer's purchase of Services and Deliverables, and access to related technology (collectively, the "Materials") are intended for its own use, not for resale, export, re-export, or transfer. Customer is subject to and responsible for compliance with the export control and economic sanctions laws of the United States, the European Union and other applicable jurisdictions. Materials may not be used, sold, leased, exported, imported, re-exported, or transferred except in compliance with such laws, including, without limitation, export licensing requirements, end user, end-use, and end-destination restrictions, prohibitions on dealings with sanctioned individuals and entities, including but not limited to persons on the Office of Foreign Assets Control's Specially Designated Nationals and Blocked Persons List, or the U.S. Department of Commerce Denied Persons List. Customer represents and warrants that it is not the subject or target of, and that Customer is not located in a country or territory (including without limitation, North Korea, Cuba, Iran, Syria, and Crimea) that is the subject or target of, economic sanctions of the United States, European Union or other applicable jurisdictions. Customer certifies that all items (including hardware, software, technology and other materials) it provides to Morehouse for any reason that contain or enable encryption functions either (a) satisfy the criteria in the Cryptography Note (Note 3) of Category 5, Part 2 of the Wassenaar Arrangement on Export Controls for Conventional Arms (Wassenaar Arrangement) and Dual-Use Goods and Technologies and Category 5, Part 2 of the U.S. Commerce Control List (CCL) or (b) employ key length of 56-bit or less symmetric, 512-bit asymmetric or less, and 112-bit or less elliptic curve or (c) are otherwise not subject to the controls of Category 5, Part 2 of the Wassenaar Arrangement and Category 5, Part 2 of the CCL. Morehouse is not responsible for determining whether any Third-Party Product to be used in the Deliverables or Services satisfies regulatory requirements of the country to which such products or services are to be delivered or performed. Morehouse shall not be obligated to provide any product or service where the product or service is prohibited by law or does not satisfy the local regulatory requirements.
 15. **U.S. Government Restricted Rights.** The Deliverables and Services are "commercial items" as that term is defined at 48 C.F.R. 12.101, consisting of "technical data", "commercial computer software" and "commercial computer software documentation" as such terms are used in 48 C.F.R. 12.211 and 48 C.F.R. 12.212. Consistent with 48 C.F.R. 12.212 and 48 C.F.R. 227.7202-1 through 227.7202-4, and to the fullest extent permitted by applicable law, all U.S. Government end users acquire the Deliverables, Services, Software and documentation with only those rights set forth herein.
 16. **Confidentiality.** All non-public business, financial, and technical information and materials (including, without limitation, documents, drawings, papers, storage media, tapes, models, apparatus, sketches, designs and lists) furnished by Morehouse to Customer ("Confidential Information") is the property of Morehouse. Customer will: (i) hold the Confidential Information in trust and confidence and not disclose or release the Confidential Information to any third party except as permitted by these Terms; and (ii) not use the Confidential Information for any purpose except for the purposes expressly described in these Terms. The disclosure of Confidential Information pursuant to these Terms is not intended in any way to transfer or grant any right, title or interest in or to such Confidential Information to Customer. Customer will disclose the Confidential Information only to those of its employees, consultants and contractors who have agreed, either as a condition of employment or in a written agreement, to be bound by terms and conditions substantially as protective as the confidentiality terms and conditions applicable to Customer under this Section, and Customer shall be responsible for compliance by its employees, consultants and contractors with Customer's obligations herein. Within five (5) days after any written request by Morehouse, Customer shall destroy or deliver to Morehouse, at Morehouse's option, (a) all materials furnished by Morehouse and (b) all materials in Customer's possession or control (even if not furnished by Morehouse) that contain, reflect, or are based upon any Confidential Information. Upon written request of Morehouse, Customer will provide Morehouse with a written certification of Customer's compliance with its obligations under this paragraph. The terms of this paragraph will survive for as long as the Confidential Information remains confidential.
 17. **Assignment.** Customer will not, in whole or part, assign or transfer any part of these Terms or any Order, whether licenses or any other rights, interests or obligations, and whether voluntarily, by contract, by operation of law or by merger (whether that party is the surviving or disappearing entity), stock or asset sale, consolidation, dissolution, through government action or order or otherwise without Morehouse's prior written consent. Any attempted transfer or assignment by Customer that these Terms do not permit will be null and void.
 18. **Force Majeure.** Except for Customer's payment obligations, neither party shall be liable to the other for any delay or failure caused by Force Majeure. If such delay or failure lasts longer than 30 days, then the other party may immediately terminate, in whole or in part, the relevant Order by giving written notice to the delayed party. "Force Majeure" refers to circumstances beyond a party's reasonable control including, without limitation, act of God, war, riot, civil commotion, terrorist acts, malicious damage, governmental or regulatory actions, accident, breakdown of plant or machinery, local or national emergency, explosions, fire, natural disasters, severe weather or other catastrophes, epidemics/pandemics, general import/export/customs process problems affecting supplies to Morehouse or to Customer, shortages in materials, failure of a utility service or transport network, embargo, strike, lock out or other industrial dispute (whether involving Morehouse's workforce or any other party), or default of suppliers or subcontractors due to any of the preceding events.
 19. **Severability/Waiver.** If any provision of these Terms or any Order including, but not limited to, those that limit, disclaim or exclude warranties, remedies or damages, are held by a court of competent jurisdiction to be contrary to law, such provision will be enforced to the maximum extent permissible and the remaining provisions of these Terms and the applicable Order will remain in full force and effect. The parties agree: (a) they have relied on the damage and warranty limitations and exclusions and allocations of risk set forth in these Terms; and (b) they would not enter into any Order without such limitations, exclusions, and allocations. Performance of any obligation required by a party hereunder may be waived only by a written waiver signed by an authorized representative of the other party, which waiver will be effective only with respect to the specific obligation described. Any waiver or failure to enforce any provision of these Terms or any Order on one occasion will not be deemed a waiver of any other provision or of such provision on any other occasion.
 20. **Governing Law; Jurisdiction.** These Terms and any dispute (whether in contract, tort or otherwise) related hereto or any Service, Deliverable, Quote or Order ("Dispute") are governed by the laws of the Commonwealth of Pennsylvania (excluding the conflicts of law rules) and the federal laws of the United States. The U.N. Convention on Contracts for the International Sale of Goods does not apply. To the extent permitted by law, the state and federal courts located in York County, Pennsylvania will have exclusive jurisdiction for any Disputes, and the parties agree to submit to the personal jurisdiction of such courts, and waive all objections to the exercise of jurisdiction over the parties by those courts and to venue in such courts. The prevailing party in any Dispute shall be entitled to recover, in addition to all other rights and remedies of such party, all costs, expenses, and reasonable attorneys' fees incurred in connection with such Dispute.
 21. **Entire Agreement.** These Terms and each Order hereunder comprise the complete statement of the agreement of the parties regarding the subject matter hereof. Pre-printed terms on any purchase order or any term or condition on a Customer form, have no legal effect and do not modify or supplement these Terms, even if Morehouse does not expressly object to those terms when accepting an Order. The information which is incorporated by reference (including reference to information contained in a URL or policy) form an integral part of these Terms. You may not modify or change these Terms. Morehouse reserves the right, in its discretion, to change, modify, add to, or remove portions of these Terms (collectively, "Changes"), at any time. Morehouse will notify you of Changes by sending an email to the address identified in an Order or by posting a revised version of these Terms incorporating the Changes to its website. Your continued receipt and use of Services following notice of the Changes or posting of these Terms incorporating the Changes will mean that you accept and agree to the Changes. Such Changes will apply prospectively beginning on the date the Changes are posted. Notwithstanding the foregoing, if you are a business established within the European Union or the United Kingdom, the Changes shall take effect 15 days following Morehouse notifying you by email or by posting a revised version of these Terms. If you are a business established within the European Union or the United Kingdom, you shall have the right to object to the Changes, by providing Morehouse with written notice of such objection before the Changes take effect.

