

TERMS AND CONDITIONS

1. ACCEPTANCE BY SELLER

Purchase Orders hereunder are offers from Buyer to purchase from Seller the goods therein described only upon Seller's acceptance of all the terms and conditions of this purchase order (PO). In no event shall PO constitute acceptance of any offer to sell. PO shall be accepted by Seller by (a) signing and returning to Buyer the acceptance copy thereof; (b) shipping the goods described therein; (c) failure on the part of Seller to provide Buyer with written acknowledgement within seven (7) days following receipt thereof; or by any other expression of acceptance by Seller.

2. DELIVERY

Seller shall comply with the delivery schedule specified in PO. If Seller for any reason does not comply with Buyer's delivery schedule, Buyer, at its option, may either approve a revised delivery schedule or terminate PO without liability or exercise any other lawful remedy.

3. INSPECTION

All goods shall be subject to inspection and test by Buyer. Final acceptance or rejection of the goods shall be made as promptly as practical after delivery, but failure to inspect and accept or reject goods or failure to detect defects by inspection shall neither relieve Seller from responsibility for such goods nor impose liability on Buyer. Payment shall not constitute acceptance.

4. BUYER'S PROPERTY

All drawings, specifications, tools, equipment and materials furnished to Seller by Buyer shall remain the property of Buyer. Such property while in Seller's custody or control shall be held at Seller's risk.

5. WARRANTY

(a) Seller warrants that all goods will conform to specifications or other requirements approved or adopted by Buyer, be of merchantable quality, free from all defects and will be fit for particular purpose for a period of one (1) year after the delivery by Seller or such longer period as may be specified in any product warranty covering goods sold hereunder. (b) If Seller breaches the above warranty, Buyer may, in addition to other rights, remedies, at its option: (i) reject and return such goods at Seller's expense; (ii) require Seller to repair and replace non-conforming goods; (iii) require Seller to credit Buyer's account for such goods.

6. INJURY AND PROPERTY DAMAGES

Seller agrees to protect, defend, indemnify and hold harmless Buyer from and against any and all claims,

actions, liabilities, losses, costs and expenses, including attorney's fees, arising out of any actual or alleged personal injury or death or damage to property resulting in whole or in part from any actual or alleged defect in any goods sold to Buyer or services performed by Seller under this PO.

7. PATENT INDEMNITY

Seller represents and warrants that the goods to be delivered by Seller to Buyer do not infringe any patent, utility model registration, mask works, copyright or any other intellectual property rights owned by a third party in any country of the world, except for those features which were specifically designated or instructed by Buyer's drawings. Seller agrees to hold harmless Buyer and its customers from any claim, liabilities, damages, expenses, and costs, including attorney's fees, in relation to or arising out of the claim or litigation by a third party because of the alleged infringement of intellectual property rights.

8. TERMINATION

(a) If Seller ceases to conduct its operations in the normal course of business, including inability to meet its obligations as they mature, or if any proceeding under any bankruptcy or insolvency laws is brought by or against Seller, or a receiver for Seller is appointed or applied for, or an assignment for the benefit of creditors is made by the Seller, Buyer may terminate PO without liability. (b) Buyer may at any time terminate PO in whole or in part by written notice. Upon termination, Buyer and Seller shall negotiate reasonable termination charge which will be identified by Seller within thirty (30) days of termination.

9. FORCE MAJEURE

Neither party shall be liable for failure to perform PO when such failure is due to fires, floods, strikes, war, legal restrictions, government orders or any other causes beyond the control of the parties. If as a result of the occurrence of any of the foregoing, Seller fails to deliver the goods for an unreasonably long period of time in the judgment of Buyer, Buyer may cancel PO or any unfulfilled portion thereof, or immediately cancel it upon the lapse of such length of time as Buyer may allow in its discretion.

10. GOVERNING LAW

All matters connected with PO and performance thereof shall be construed, interpreted and governed in all respects by the laws of the state in which the Buyer is located as shown on the face hereof.