



YOUR ORDER IS ACCEPTED SUBJECT TO THE SALES TERMS LISTED BELOW

1) ACCEPTANCE

This acknowledgement is made in conformance with Seller's quotation which resulted in the issuance of your order. Your order is accepted subject to the terms hereof and such acceptance is conditioned upon your waiver of any terms and conditions of your order or of any documents incorporated therein that differ from or are in addition to those set forth herein. Failure of the buyer to object to the foregoing upon receipt of this acknowledgement shall be deemed to be Buyer's consent to such waiver, unless buyer objects in writing within 30 days of receipt.

2) SPECIFICATION

Specifications applicable to items sold hereunder shall be those furnished by the Seller or those furnished by the Buyer and agreed to in writing by Seller as the date of receipt of Buyer's order unless otherwise provided upon the face of this acknowledgement.

3) CHANGES

Seller reserves the right to make process and design changes on items ordered which will not adversely affect form, fit, or function requirements without prior approval, or notification to Buyer. Buyer may request changes in process or design of items ordered and agrees to accept reasonable changes in delivery or price as necessitated thereby. Should Buyer insist on requirements constituting changes which are in Seller's judgment beyond the ability of Seller to deliver within the schedule or for the price proposed by Buyer or otherwise beyond Seller's ability to produce, Seller shall have the right to cancel the order. If production on the original order has commenced or expenses have been incurred and commitments made as a consequence of the original order, Buyer shall pay cancellation charges as specified in Paragraph 11, CANCELLATION.

4) WARRANTY

Seller warrants that items manufactured by Seller under Buyer's order shall be free from defect in material and workmanship furnished by Seller and will conform to applicable specifications and drawings. Seller's liability herein, whether based on breach of warranty or contract or negligence in manufacture, shall be limited to replacement or repair, at Seller's election, of all such defective or nonconforming items provided that this warranty shall apply only where Buyer has given Seller written notice of such defect or nonconformity within 90 days after delivery by Seller of such items to Buyer. Seller shall have the right prior to return to inspect at Buyer's plant any items claimed to be defective or nonconforming. Seller assumes no liability for results of the use of items purchased, including without limitation (a) use in combination with any electrical or electronic components, circuits, systems, assemblies, or other products and (b) unsuitability of any product for use in any circuit, assembly, product, or environment. The foregoing constitutes the sole and exclusive remedy of the Buyer and the exclusive liability of the Seller, AND IS IN LIEU OF ANY AND ALL OTHER WARRANTIES, EXPRESSED OR IMPLIED OR STATUTORY AS TO MERCHANTABILITY, FITNESS FOR PURPOSE SOLD, DESCRIPTION, QUALITY, and PRODUCTIVENESS OR ANY OTHER MATTER. Without limiting the foregoing, in no event shall the Seller be liable for loss of use or profit or other collateral, special or consequential damages.

5) PATENTS-PROPRIETARY RIGHTS

If any item or service as ordered by buyer is manufactured or performed to designs or processes required by buyer which designs or processes are not a part of seller's standard items or in accordance with seller's standard processes, buyer agrees to indemnify and save seller, its officers, agents and employees, harmless from any expense, loss, attorney's fees, cost, damage or liability which may be incurred on account of infringement or alleged infringement of any Patent rights (either U.S or foreign) with respect to such items or processes. In case buyer's order was issued under a Government prime contract, the ASPR Authorization and Consent Provisions (ASPR 7-103.22 and 9-102) contained in the prime contract shall apply in lieu of the indemnity provision set forth hereinabove. Sale of items under this agreement does not convey a license, implied or otherwise, under any patent in which seller has interest, nor does it convey rights to any descriptive data, including seller's manufacturing drawings, secrets, processes, or tooling.

6) TITLE-TERMS

Title to items sold hereunder shall pass to Buyer upon payment to Seller of the full purchase price. Notwithstanding the foregoing, all risk or loss shall be borne by the Buyer from the time of delivery of the items by the Seller to a public carrier or other agreed upon means of transportation. Unless otherwise specified on the face of this acknowledgement, Terms shall be NET 30 DAYS. FOB plant, subject to credit approval. In the event Buyer fails to fulfill the terms of payment on any invoice issued with shipments in partial fulfillment of the order, default change the terms of payment with regard to the entire order, defer or discontinue further shipments or cancel the order pursuant to the provisions of Paragraph 11, Cancellation.

7) DELIVERY

The Seller shall not be liable for delays in production or delivery due to the causes beyond its control, including, but not limited to act of God, acts of Buyer, acts of civil or military authority, priorities, fires, strikes, floods, epidemics, quarantine restrictions, war delay in transportation, car shortages and inability due to cause beyond its control to obtain necessary labor, materials or manufacturing facilities. In no event shall Seller be liable to Buyer for any damages whatsoever, including loss of use, or profit or other collateral, special or consequential damages resulting from delays experienced by Buyer in production or delivery due to Seller's inability to deliver. In the event of any such delay, the date of delivery shall be deferred for a period equal to the time lost by reason of the delay.

8) EXPERIMENTAL SALES

In the event the items or any portion thereof furnished pursuant to Buyer's order are identified on the face side hereof as "prototypes," "sample", "for engineering approval", "on consignment", "for evaluation", or terms of similar import, the Buyer agrees that such material is confidential and experimental in nature, and that it will disclose same only to those of its employees as are necessary to carry out the testing and evaluation by Buyer, and to none others. It is expected that changes will be made in the construction of such items, based on such test, and therefore Buyer agrees to communicate to Seller test and evaluation data accumulated during its testing of such material necessary to effect such changes.

9) TOOLING

All tooling or other equipment furnished by Seller as necessary to fulfill this order shall be the property of the Seller.

10) RETURNS

Written authorization must be obtained from Seller prior to return of any items for repair, replacement, or credit. Buyer's right to repair or replacement are governed by the terms of paragraph 4, Warranty. Issuance of credit for returned items shall be made at Seller's discretion upon Buyer's request.

11) CANCELLATION

Seller at its option may cancel this order if (a) Buyer's payments are in default or Buyer breaches any material provision hereof, (b) substantial changes in raw material occur, or (c) causes beyond Seller's reasonable control as specified in Paragraph 7, - Delivery, make it impossible to assure shipment or (d) Buyer becomes insolvent or a petition in bankruptcy is filed. The Buyer may cancel the remaining unfilled portion of this order upon written notice to and receipt of written acceptance by Seller and upon payment of reasonable cancellation charges which shall include the profit to be made on the uncompleted portion of the order, and which charges shall also take into account goods already produced or in process, expenses already incurred in connection with this order and commitments made by Seller as a consequence of this order. Cancellation charges shall not exceed the purchase price of the cancelled portion of the order.

12) TAXES

Buyer shall be responsible for payment of all applicable sales, use or other taxes whether local, State or Federal, which are chargeable in connection with the sale of the items hereunder, unless specifically provided for otherwise on the face of this acknowledgement.

13) GOVERNMENT CONTRACTS

If the items purchased hereunder are to be used in fulfilling a contract with the United States Government, Seller will comply with all mandatory provisions required by the Government to be applicable to Seller provided that the Buyer gives Seller written notice of such provisions in sufficient time to permit compliance. In addition, Seller may at its option adopt any provisions of ASPR or other federal statutes or regulation which is applicable or made available to subcontractors by the Government in its prime contract.