

## TERMS AND CONDITIONS OF DOING BUSINESS WITH COSMOTRONIC

**GENERAL.** All quotations and orders to or by Cosmotronic, (hereinafter called "Company") are subject to the following terms and conditions and shall be governed by, subject to and construed according to the laws of the State of California. The items and goods to be sold to Purchaser shall herein sometimes be referred to as the "Property."

**WAIVER.** Stenographic and clerical errors are subject to correction. Orders become contracts only upon acceptance by the Company. Any agreement or other understandings modifying the terms and conditions of this Agreement for the sale of property will not be binding unless made in writing and signed by a corporate officer of Company. No waiver by the Company with respect to any terms and conditions herein shall be deemed to be a waiver of any other term and condition herein. Company shall not be responsible for misinterpretation of specifications after making a bona fide effort. Quotations by Company should be verified by Purchaser as conforming to any applicable specification and/or quantities.

**DISCLAIMER.** Orders are accepted and offers to sell are made subject to the conditions that Company shall not be liable for losses, detentions or delays occasioned by accident, strikes, fires or acts of God affecting Company's operations or any other similar or dissimilar causes beyond Company's control or not reasonably expected by Company. Company assumes no responsibility, expense or liability for repairs, modifications or alterations to the Property by Purchaser without prior written consent of Company. Company will not be liable, under any circumstances, for "value added" or other work performed by Purchaser or third parties on property purchased from Company.

This document contains the complete agreement of the parties. THERE ARE NOT WARRANTIES WHICH EXTEND BEYOND THE DESCRIPTION ON THE FACE HEREOF, AND THERE ARE NO PROMISES, AGREEMENTS, IMPLIED OR EXPRESS WARRANTIES OR FITNESS FOR A PARTICULAR PURPOSE OR MERCHANTABILITY OR UNDERSTANDINGS OTHER THAN SET FORTH HEREIN. Company shall not be responsible for any losses, expenses or damages, directly or indirectly, caused or occasioned to Purchaser or any third parties, whether the same be to the Property or otherwise, or whether contractual or otherwise, resulting from the use or misuse of the Property. Further, Company shall not be responsible for damages, loss, lost profits, expenses, overhead, downtime, or any loss to Purchaser, or any third parties directly or indirectly related to or due to the Property being faulty or for failure to deliver the Property when due. Purchaser assumes full risk for loss thereof.

**REJECTIONS.** Claims of incorrect or defective property must be received by Company in writing within thirty (30) days for Quick Turn orders or sixty (60) days for standard lead time orders from receipt of said Property by Purchaser. Company then has the option of re-inspection at Purchaser's plant, or at Company's plant, before allowing or rejecting Purchaser's claim. No Property may be returned without first obtaining a Return Material Authorization (RMA) number from Company. Defects that do not impair satisfactory service shall not be a cause for rejection.

**CANCELLATIONS AND RETURNS.** Orders once placed and accepted can be cancelled only with the consent of Company and upon terms that will save Company from loss. On all property approved by Company for return credit, if any, a charge to Purchaser will be made to cover re-inspection, reconditioning and transportation expense, if any.

**DELIVERY.** Promises of delivery are given as accurately as conditions will permit and every effort will be made to accomplish shipments on date or dates mentioned; however, Company will assume no liability for damages arising out of failure to deliver Property within the time promised.

**SHIPMENTS.** All prices quoted are F.O.B., shipping point, unless otherwise agreed to by Company in writing. Company's responsibility ceases with delivery of Property in good order to transportation companies. Delivery is not guaranteed at or to the destination. Claims for shortage or damage in transit must be made by Purchaser against the carrier. In the absence of definite shipping instructions, Company reserves the right to ship all Property by any public carrier which is deemed to be satisfactory by Company unless the carrier is specified in Purchaser's contract. Company may make partial shipments from time to time at Company's discretion.

**TAXES.** The amount of any present or future sales, use or other similar tax applicable to the Property sold hereunder shall be added to the price quoted and shall be billed to Purchaser in the same manner and with the same effect as if originally added hereto. If the Purchaser is located outside the State of California, then said Purchaser is responsible for payment of any present or future sales, use or other similar tax applicable to the Property and Company has no obligation to pay said tax whatsoever.

**ADDITIONAL CHARGES.** Additional charges will be made to cover the costs of unusual packing, delivery, servicing, overtime work, taxes, financing or any cost element not included in the agreed price. The Purchaser is liable for freight, storage and other similar expenses incurred.

**VENUE.** Purchaser agrees that all legal actions, arbitration, litigation, lawsuits and any other proceedings requiring judicial jurisdiction concerning any purchaser orders, invoices, security agreements, statements, financing arrangements, and credit applications pursuant thereto, or any other aspect to the sales arrangement between Purchaser and Company may, at the option of Company, be brought in Orange County, California.

**CONFLICTING TERMS AND CONDITIONS.** Any of the terms and conditions of Purchaser's order or acceptance of Property which are inconsistent with or in addition to the terms and conditions hereof, shall not be considered applicable to the shipment or sale of the Property referred to herein, and shall not be part of the Agreement between Company and Purchaser. The sale and shipment by Company of the Property shall be conclusively deemed to be subject only to the terms and conditions hereof, and Company hereby specifically objects to any additional or different terms contained in Purchaser's offer or acceptance.

**TERMS OF PAYMENT.** Payment is due in full within thirty (30) days following shipment of product unless other payment terms are agreed to by Company in writing. Partial payments are due within thirty (30) days from shipment for partial shipments.