

E-CERTA, INC.

TERMS AND CONDITIONS OF SALE

1. Orders, Prices and Terms of Payment

All orders received are subject to acceptance by E-CERTA Incorporated (the "Company") at its Bloomington, Indiana headquarters. All published prices are subject to change without notice. The Company is not responsible for typographical errors. Except as otherwise set forth on the invoice, all shipments will be C.O.D.

2. Taxes

The Company's prices do not include, and the customer shall be responsible for and agrees to pay, all sales, use, excise and similar taxes, if any, however designated, levied or based, applicable to the state.

3. Shipment and Delivery

Unless otherwise specified by the Company, delivery will be made F.O.B., the Company's headquarters in Bloomington, Indiana, upon delivery by the Company to a common carrier. Cost of shipment is in addition to the purchase price and shall be paid by the customer unless otherwise agreed by the Company in writing. The Company does not pay inbound or outgoing shipping fees, duties or taxes. Any visible damage to shipments should be noted in writing before acceptance. All claims for shortage, damage or shipment errors must be made in writing to the Company within three (3) days after receipt of shipment. The company will use the best reasonable efforts to meet any estimated delivery date, but the Company shall not be liable for any delays howsoever caused. Ownership of other products shall pass to the customer when payment in full has been made.

4. Returns

Regardless of the reason for return, written approval for any return must first be obtained from the Company. Unless otherwise agreed by the Company in writing, return transportation must be prepaid by the customer. Rejected products must be returned in the original condition as received by the customer. Any product alterations, including without limitation lead trimming, improper desoldering/refurbishing, and damage to original markings, will void the Company's limited warranty with respect thereto.

5. Limited Warranty

The Company warrants that all refurbished products will meet original manufacturer's electrical specifications for a period of thirty (30) days from and after delivery. All claims for breach of this warranty shall be subject, at the Company's election, to submission of the refurbished product in question to test by an independent test laboratory, whose findings shall be final, binding, and conclusive. In the event of a breach of warranty, the sole responsibility of Company shall be at its option to refund or credit the purchase price thereof or repair or replace the refurbished products that have been found to be defective within the warranty period. The Company does not warrant in any way new or used products, whether sold loose or on circuit boards or otherwise, and all such sales are "AS IS". The Company shall be allowed a loss or damage of 1% or less of the product due to the conversion process. No damages shall be paid by the Company unless damages exceed the 1% limit. In the event that the product is damaged or lost in excess of the 1% limit, the Company shall only be responsible for the amount of parts exceeding the 1% limit. The Company shall not pay any amount in excess of the current lowest conversion price for the part available per part damaged or lost. The Company shall be responsible only for the costs associated with conversion, and shall not be liable for the cost of the part for any reason.

EXCEPT SPECIFICALLY AS PROVIDED HEREIN, THE COMPANY MAKES NO OTHER WARRANTY, EXPRESSED OR IMPLIED, INCLUDING (BUT NOT LIMITED TO) ANY IMPLIED WARRANTIES OF MERCHANTABILITY AND/OR SUITABILITY OR FITNESS FOR A PARTICULAR USE OR PURPOSE OR RESPECTING INFRINGEMENT OF ANY PATENT, TRADEMARK, COPYRIGHT OR OTHER RIGHT.

THE COMPANY'S RESPONSIBILITY FOR LOSSES OR LIABILITIES ARISING OUT OF OR RELATED TO THE PRODUCTS BEING SOLD HEREUNDER SHALL NOT EXCEED THE PURCHASE PRICE THEREOF. IN NO EVENT, WHETHER AS A BREACH OF CONTRACT, WARRANTY, TORT (INCLUDING NEGLIGENCE), OR OTHERWISE, SHALL THE CUSTOMER BE ENTITLED TO OR THE COMPANY BE LIABLE FOR ANY INDIRECT, SPECIAL, CONSEQUENTIAL, INCIDENTAL OR PUNITIVE DAMAGES, INCLUDING BUT NOT LIMITED TO LOSS OF PROFIT OR REVENUES, LOSS OF USE OF THE PRODUCT OR ANY ASSOCIATED EQUIPMENT, DAMAGE TO ASSOCIATED EQUIPMENT, COST OF CAPITAL, COST OF SUBSTITUTE PRODUCTS, FACILITIES, SERVICES OR REPLACEMENT POWER, DOWN TIME COSTS, OR CLAIMS OF THIRD PERSONS WHO BUY FROM OR DEAL WITH THE CUSTOMER FOR SUCH DAMAGES.

The Company may request up to 6 components of any given lot for research, analytical and evaluation capabilities of product for work performed before and after conversion. This is a cost of production carried by the client which sits outside of the scope of invoice charges. --reason , verification, validation with regard to product integrity.

6. Acceptance

The Company is not bound by any printed matter on the customer's issuance of any order in response to Company's quotation shall be deemed an acceptance of the Terms and Conditions of Sale herein contained.

7. Terms and Conditions

These terms and conditions are subject to modification only by the mutual agreement of the Company and the customer, in writing signed by authorized individuals. These terms and conditions shall be governed by and construed in accordance with the laws of the State of Indiana. The customer shall be responsible for all costs of collection incurred by the Company, including without limitation for all attorney's fees and expenses. Customer hereby agrees that any legal action or proceeding arising out of or related to the products being sold hereunder or these Terms and Conditions of Sale shall be brought in the State or federal courts having jurisdiction in Monroe County in the State of Indiana, and the customer hereby consents and submits to the exclusive jurisdiction of such State and federal courts.