

TERMS AND CONDITIONS SALES ORDER

Custom Interconnects (the "Seller") and the company or individuals names on the face of this sales order (the "Buyer") agree to the following terms and conditions:

1. **NONCONFORMING TERMS.** No conditions stated by the Buyer in acknowledging or accepting this order and no terms contained in any purchase order or other document received from the Buyer, either prior to or subsequent to the date of this order, shall be binding upon the Seller unless expressly accepted in writing by an authorized representative of the Seller.
2. **TAXES.** Except as otherwise provided on the face of this order, the price does not include federal, state or local taxes which may be payable with respect to the manufacture, sale, delivery or use of the goods. The Buyer agrees to pay all such taxes.
3. **SHIPMENT.** All prices are F.O.B. Seller's factory, Denver, CO. The Seller reserves the right, in its sole discretion, to determine the method and route of shipment. The Buyer assumes the risk of loss or damage upon delivery of the goods to the carrier at point of shipment and shall be responsible for all shipping insurance costs.
4. **PAYMENT TERMS.** Unless otherwise specified by the Seller, the terms of payment shall be ½% 10 days, net 30 days, from the date of invoice. The Seller reserves the right at any time and in its sole discretion to require payment in full in advance or C.O.D., or to otherwise modify the payment terms. Past due amounts shall include interest at the rate of 18% per annum or the highest rate permitted by law.
5. **TOOLING CHARGES.** The Buyer shall pay all tooling charges for tools, dies, jigs and fixtures acquired or constructed by the Seller for use in filling the Buyer's order. All such tool, dies, jigs and fixtures shall remain the sole property of the Seller. The Seller will endeavor to retain such tools, dies, jigs and fixtures for a period of one year from the date of the most recent order at no additional charge to the Buyer. If no orders are received and accepted after the one year period, the Seller may make any use or disposition of such tools, dies, jigs and fixtures as it desires, without accounting to the Buyer for such use or disposition, or the proceeds thereof.
6. **DELIVERY.** Delivery dates are not guaranteed and are based on normal expectancies only, in no event shall the Seller be liable for any failure or delay in delivery due to fire, flood, accident, civil unrest, acts of God, war, governmental interference or embargoes, strikes, labor difficulties, shortage of labor, fuel, power or materials or any other cause beyond its reasonable control.
7. **CANCELLATION AND CHANGE.** Orders are subject to cancellation, partial cancellation or changes only with the consent of the Seller and only upon such terms as the Seller may impose. Prices are set on the basis of the total quantity ordered, even though shipment may be made in stages. Cancellation of a portion of an order after an earlier portion has been shipped and invoiced will result in an adjustment to the purchase price and an additional charge to the Buyer.
8. **LIMITED WARRANTY.** The Seller warrants that all goods manufactured and sold by it will be free from defects in materials and workmanship for a period of one year from the invoice date. Goods which are found defective will be replaced or repaired at the option of the Seller. The Seller shall be under no obligation to the Buyer if the goods have not been used under normal operating conditions or have been altered, modified, or repaired without the Seller's prior written consent. In no event will the Seller be liable for consequential or special damages or for transportation, installation, adjustment or other expenses which the Buyer may incur in the exercising its rights under this limited warranty.
9. **DEFECTIVE GOODS AND TESTING.** If the Buyer believes that goods purchased from the Seller are defective, it must notify the Seller immediately in writing. The goods shall not be returned to the Seller without prior written authorization of the Seller. If the Buyer wishes to conduct tests to determine whether the goods are conforming, it must notify the Seller prior to conducting such tests, endeavor to reach agreement with the Seller on testing procedures and

provide the Seller with an opportunity to witness such tests.

10. **INFRINGEMENT.** The Seller agrees to defend any suit brought against the Buyer to the extent that such suit is based on a claim that the goods, or any party thereof, in the particular form sold by the Seller infringe a United States patent, provided such goods were not manufactured by the Seller pursuant to designs or specifications furnished by the Buyer, but only on the condition that the Buyer shall promptly notify the Seller in writing of any such claim and shall give the Seller full authority for the conduct of such suit and shall render to the Seller whatever information and assistance may be reasonably required for such defense. Subject to such conditions, the Seller shall pay damages and costs, if any, awarded against the buyer in such suit and in the event the goods are held to infringe and use of the goods is enjoined, the Seller shall have the option of procuring for the Buyer the right to continue using the goods, replacing the goods with a noninfringing product, modifying the goods so as to avoid infringement or removing the goods and refunding the purchases price. The Seller shall have no further liability for patent infringement. The Buyer agrees to indemnify and holds the Seller harmless from and against all claims, liability, loss damage and expense, including attorney's fees, arising from or related in any way to any actual or claimed patent, trademark or copyright infringement involving goods manufactured by the Seller pursuant to designs or specifications furnished by the Buyer.
11. **COMPLIANCE WITH THE LAW.** The Seller agrees that in manufacturing, selling and delivering the goods it will comply with all applicable laws and governmental regulations, including the provisions of the Fair Labor Standards Act of 1938.
12. **GOVERNMENT CONTRACTS AND SUBCONTRACTS.** If a government contract number appears on the face of this order, clauses contained in the Armed Services Procurement Regulations or the Federal Acquisition Regulations which the Government requires be included in subcontracts to which the contract is a party shall be incorporated in this order by reference.
13. **DEFAULT.** In the event the Buyer fails to make payment in the amounts and at the times required by the Seller pursuant to this order or is in default under any other provision of this order or any other sales order, invoices or other agreement between the Buyer and the Seller, or in the event of any proceedings, voluntary or involuntary, in bankruptcy or insolvency by or against the Buyer, the inability of the Buyer to meet its debts as they come due or the appointment, with or without the Buyer's consent or an assignee for the benefit of creditors or a receiver, then the Seller shall have the right in addition to all other rights it may possess at any time to withhold shipments, in whole or in part, and to recall goods in transit, retake same and repossess all goods which may be stored with the Seller for the Buyer's account, without the necessity of instituting any other proceedings. The buyer agrees that all goods so recalled, retaken or repossessed shall become the absolute property of the Seller provided that the Buyer is given full credit thereof. The Seller shall also have all of the rights and remedies available to it under the Uniform Commercial Code and any other law in affect.
14. **WAIVER.** No waiver of any provision of this order by the Seller shall be valid unless in writing and signed by an authorized representative of the Seller. No delay on the part of the Seller in exercising any right or remedy available to it shall operate as a waiver of such right or remedy.
15. **GOVERNING LAW.** This order shall be governed by the laws of the State of Colorado.

Custom Interconnects is an Equal Opportunity Employer as required by Executive Order 11246, as amended.