

General Terms and Conditions

1. COMPLETE AGREEMENT:

This Purchase Order, including these General Conditions, any specifications hereto and any additional terms and conditions incorporated into and attached hereto, constitutes the sole and entire agreement between the parties hereto as to the goods described herein. Seller's quotation or proposal, except as agreed in writing by Buyer, is incorporated in and made a part of this Purchase Order only to the extent of specifying the nature and description of the goods ordered, and then only to the extent that such items are consistent with the other terms of this Purchase Order. No other terms or conditions shall be binding upon Buyer unless accepted by it in writing.

2. CHANGES AND CANCELLATIONS:

Buyer may by written change order make any changes, including additions to or deletions from the quantities originally ordered, or in the specification or drawings. If any such change affects the amount due or the time of performance hereunder, an equitable adjustment shall be made. Buyer may at any time by written change order cancel a Purchase Order as to all or any portion of the goods then not shipped, subject to an equitable adjustment between the parties as to any work or materials then in progress; provided that no such adjustment be made in favor of Seller with respect to any goods which are Seller's standard stock. No such termination shall relieve Buyer or Seller of any of their obligations as to goods delivered hereunder. Notwithstanding the above, if this Purchase Order covers goods manufactured or fabricated to Buyer's specifications or specifications prepared by Seller for Buyer, upon receipt of notice of cancellation. Seller shall cease the manufacture, supply or work in accordance with and to the extent specified in the notice and shall immediately do everything possible to mitigate any cost incurred by Seller as a consequence of such cancellation and, provided that Seller is not in default, Buyer shall pay to Seller the costs incurred by Seller with respect to this order prior to and in connection with the cancellation, provided that the amount payable by Buyer in respect of such costs when added to all previous payments made or becoming payable hereunder shall not exceed the total price stated in this Purchase Order as to the cancelled goods. Upon such payment title to any material or incomplete merchandise shall pass to Buyer. Any claim for adjustment or costs hereunder must be asserted within thirty (30) days from the date when the change or termination is ordered.

3. PRICE AND PAYMENT:

The prices shown on this order, unless otherwise indicated, are deemed to include all taxes imposed by law and all charges for packing and loading. Payment will be made in accordance with the applicable provisions of this Purchase Order. The time for payment of invoices, or for accepting any discounts offered, shall run only from the date correct invoices are furnished to Buyer. Drafts will not be honored nor C.O.D shipments accepted under any circumstances.

4. DELAYS:

Time is of the essence. However, Seller shall not be liable for delays or failure to manufacture or deliver due to causes not reasonably foreseeable which are beyond its reasonable control, such as acts of civil or military authorities, Governmental priorities, fires, strikes, floods, epidemics, war or riot. In the event of any such delay, the date of delivery shall be extended for the period equal to the time actually lost by reason of the delay. Except as provided above in this paragraph, Buyer reserves the right to cancel this order or any portion of same if delivery is not made when and as specified. In the event of rejection of nonconforming goods, Seller shall have reasonable time to correct the nonconformance. Should Seller fail to do so within a reasonable time, Buyer may cancel the order as to the nonconforming goods and retain its right with respect to cover as provided by law.

5. NON-WAIVER:

Failure of Buyer to insist upon strict performance of any of the terms and conditions hereof, or failure or delay to exercise any rights or remedies provided herein or by law or to properly notify Seller in the event of breach, or the acceptance of or payment for any goods hereunder, shall not release Seller of any of the warranties or obligations of this Purchase Order and shall not be deemed a waiver of any right of Buyer to insist upon strict performance hereof or any of its rights or remedies as to any such goods, regardless of when shipped, received, or accepted.

6. INSPECTION:

Buyer shall have the right to inspect and test the goods at any time during manufacture and prior to shipment, and to final inspection within a reasonable time after arrival at the ultimate destination. The goods shall not be deemed accepted until after said final inspection. The making or failure to make any inspection of, or payment for or acceptance of the goods, shall in no way impair Buyer's right to reject nonconforming goods, or to avail itself of any other remedies to which Buyer may be entitled, notwithstanding Buyer's knowledge of the nonconformity, its substantiality or the case of its discovery. All goods furnished must be as specified and Buyer reserves the right to reject and return at the risk and expense of Seller such portion of any shipment which is defective or fails to comply with specifications without invalidating the remainder of the order. If properly rejected, Buyer may at its option hold the goods for disposition at the expense and risk of Seller.

7. EXPEDITING:

The goods furnished under this Purchase Order shall be subject to expediting by Buyer or its representatives, if feasible, subject to, as appropriate, mutual agreement on any incremental costs to be reimbursed to Seller in accommodating Buyer's request to expedite. Buyer's personnel shall be allowed reasonable access to Seller's plants, and those of his sub-suppliers, for expediting purposes. As required by Buyer, Seller shall supply schedules and progress reports for Buyer's use in expediting.

8. TITLE TO CERTAIN GOODS:

Where any payment for or in respect of goods or any part thereof is made by Buyer prior to delivery to Buyer, title to the partially completed or completed goods and any materials and parts to be used in its manufacture in respect of which such payment has been made, shall pass to Buyer and the same shall be appropriately marked. Notwithstanding any passing of title to any property, the goods shall be at the risk of Seller until delivery to Buyer.

9. TRANSPORTATION:

Immediately after Seller dispatches goods to buyer, seller shall notify Buyer of the time of dispatch, the number of the order, the kind and amount of goods dispatched and the route and the method by which the goods will be transported. All goods shall be packed, marked and transported as specified in the Purchase Order but if not specified then in a proper and suitable manner and in all cases in accordance with the proper requirements of the carriers. Seller shall be liable for any difference in freight charges arising from its failure to follow any transport instructions in the Purchase Order or to properly describe the good transported. Buyer and Seller shall assist each order in obtaining documents and other desirable for the prosecution of claims against carriers.

10. WARRANTIES:

Seller warrants that the good shall be free from defects in design, material and workmanship, and shall conform in all respects to the terms of this Purchase Order. If it appears within one year from the date placing the goods into service for the purpose for which they were purchased, that the goods, or any part thereof, do not conform to these warranties, and buyer so notifies Seller within a reasonable time after its discovery, Seller shall thereupon promptly correct such nonconformity at Seller's sole expense, replace the goods or equipment with conforming good or equipment, or refund the purchase price to Buyer. Seller shall be notified of and may be represented at all tests that may be made. Seller also warrants good and marketable title to the goods, free of all liens and encumbrances. The expense of returning the goods shall be paid or reimbursed by Seller if the defect or nonconformity can be reasonably shown.

11. INFRINGEMENT:

Seller, by accepting this order, agrees to indemnify and hold Buyer and its parent and its parent's subsidiaries and affiliates (hereinafter referred to collectively as "Company") free and harmless from any and all loss, damage or injury, to defend at its own expense any and all suits or actions, and to pay and judgments against Company, arising out of alleged infringements of any patents, copyright or trademark, foreign or domestic, by the whole or any portion of the goods herein described.

12. COMPLIANCE:

Seller warrants that all good sole hereunder shall have been produced, sold, delivered and furnished in strict compliance with all applicable laws and regulations to which the goods are subject. Seller shall execute and deliver such documents as many required to effect or to evidence compliance. All laws and

regulations required to be incorporated in agreement of this characters are hereby incorporated herein by this reference.

13. ASSIGNMENT:

The rights and interest of Buyer hereunder shall be freely assignable by Buyer or any of its assignees and Seller will accept performance by and such assignee, provided that such assignment shall not relieve Buyer of any its obligations hereunder. Any assignment by Seller of this Purchase Order or of any rights hereunder or hypothecation hereof in any manner, in whole or in part , by operation of law or otherwise, without the prior written consent of Buyer shall be void.

14. ACCEPTANCE:

Shipment of goods under this order constitutes acceptance of all conditions stated, both on the Purchase Order and the attachments hereto.

15. APPLICABLE LAW AND DEFINITIONS:

The definitions of terms used, interpretations of this agreement and the rights of both parties hereunder shall be construed under and governed by the law of the State of New York, USA, without reference to its conflicts of law principles. "Seller" means the person, firm, corporation or other legal entity or person to which this Purchase Order is addressed. The "goods" means goods, parts, equipment, machinery, articles, materials, supplies, drawings, data and the property and all services, including design, delivery, installation, inspection, testing and expediting, that are specified or required to be furnished as a constituent part(s) of the items listed or described as being ordered by this Purchase Order.