

CONTROLLING PROVISIONS: No terms and conditions other than the terms and conditions contained herein shall be binding upon Seller unless accepted by it in a writing signed by the Seller's Manager. All terms and conditions contained in any prior oral or written communication, including, without limitation, Buyer's purchase order, which are different from or in addition to the terms and conditions herein are hereby rejected and shall not be binding on Seller, whether or not they would materially alter this document, and Seller hereby objects thereto. All prior proposals, negotiations and representations, if any are merged in herein. Buyer will be deemed to have assented to all terms and conditions contained herein if any part of the goods and/or services described herein are shipped or an invoice is presented in connection with the said good and/or service.

TERMS: Buyer agrees to pay for the products or services according to the Seller's payment terms. In the event Buyer fails to make any payment to Seller when due, Buyer's entire account(s) with Seller shall become immediately due and payable without notice or demand. All past due amounts are subject to service charges at the maximum contract rate permitted by law. Buyer agrees to pay for the products according to the Seller's payment terms and does hereby grant Seller a purchase money security interest in the products until such time as the Seller is fully paid. Buyer will assist Seller in taking the necessary action to protect and preserve Seller's security interest. No products furnished by the Seller shall become a fixture by reason of being attached to real estate or sea going vessel.

REMEDIES OF SELLER: Upon default by buyer, Buyer agrees to reimburse Seller all attorney fees and court costs incurred by Seller in connection therewith. Buyer agrees that any of the following shall constitute an event of default which shall enable Seller, at its option, to cancel any unexecuted portion of this order or to exercise any right to remedy with it may have by law: (a) the failure of the Buyer to perform any term or condition contained herein; (b) any failure of Buyer to give required notice; (c) the insolvency of Buyer or its failure to pay debts as they mature, as assignment by Buyer for benefit of its creditors, the appointment of receiver for Buyer or for the material covered by this order or the filing of any petition to adjudicate Buyer Bankrupt; (d) the death, incompetence, dissolution or termination of existence of buyer; (e) a failure by buyer to provide adequate assurance of performance within ten (10) days after a justified demand by Seller or (if Seller, in good faith believes that Buyer's prospect to performance under this agreement is impaired. All rights and remedies of Seller herein are in addition to, and shall not exclude, any rights or remedies that Seller may have by law. In the event it becomes necessary to incur any expense for collection of any overdue account, reasonable collection charges, including reasonable actual attorney's fees, will be added to the balance due and Buyer shall pay all such charges.

GOVERNING LAW: This transaction shall be governed in all respects by the laws of the State of California (excluding choice of law provisions) and all actions commenced shall be brought in a court of the competent jurisdiction residing in San Diego, County, California, USA. All actions, regardless of form, arising out of or related to the products must be brought within applicable statutory period, but in no event more than ONE (1) year after the date of this invoice.

DELIVERY: Seller will make a good faith effort to complete delivery of the products as indicated by Seller in writing, but Seller assumes no responsibility or liability and will accept no back charge for loss or damage due to delay or inability to deliver whether or not such loss or damage was made known to Seller. Seller shall have no liability for Seller's non-performance caused by acts of God, war, labor difficulties, accidents, inability to obtain materials, delays of carriers, contractors, or suppliers or any other cause of any kind whatever beyond the control of the Seller. Under no circumstances shall Seller be liable for any special, consequential, incidental, or indirect damages, losses, or expense (whether or not based on negligence) rising directly or indirectly from delays or failure to give notice of delay.

LIMITATION OF ALL IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. UNDER NO CIRCUMSTANCES AND IN NO EVENT, WILL SELLER BE LIABLE FOR PERSONAL INJURY OR PROPERTY DAMAGE OR ANY OTHER LOSS, DAMAGE COST OR REPAIRS OR INCIDENTALS, PUNITIVE, SPECIAL OR CONSEQUENTIAL, OR LIQUIDATED DAMAGES OF ANY KIND, WHETHER BASED UPON WARRANTY, CONTRACT, STRICT LIABILITY, NEGLIGENCE OR ANY OTHER CAUSE OF ACTION ARISING IN CONNECTION WITH THE DESIGN, MANUFACTURE, SALE, TRANSPORTATION, INSTALLATION, USE OR REPAIR OF THE PRODUCTS SOLD BY SELLER. BUYER HEREBY ACKNOWLEDGES AND AGREES THAT UNDER NO CIRCUMSTANCES, AND IN NO EVENT, SHALL SELLER'S LIABILITY, IF ANY EXCEED THE NET SALE PRICE OF THE DEFECTIVE PRODUCT(S); NO ADDITIONAL ALLOWANCE SHALL BE MADE FOR THE LABOR OR EXPENSE OF REPAIRING OR REPLACING DEFECTIVE PRODUCTS OR WORKMANSHIP OR DAMAGE RESULTING FROM THE SAME, EXCEPT AS EXPRESSLY SET FORTH IN THIS PARAGRAPH. ALL PRODUCTS AND/OR SERVICES PROVIDED BY SELLER, AND ITS EMPLOYEES AND AGENTS ARE PROVIDED "AS IS" AND "WHERE IS" WITH ALL FAULTS".

RECOMMENDATIONS BY SELLER: Buyer acknowledges that Seller does not make any specifically negates, renounces and disclaims any representations, warranties and/or guarantees of any kind or character, expressed or implied, with respect to (i) the products sold, there, use design application or operation, their merchantability, their physical condition or their fitness for a particular purpose, (ii) the maintenance or other expenses to be incurred in connection with the products, (iii) the engineering, design, fabrication work or any other work or service (whether gratuitous or for payment) supplied by Seller and/or its agent, suppliers, and employees or (iv) the accuracy or reliability of any information, designs or documents furnished to Buyer. Seller neither assumes, nor authorizes any person to assume for it, any other obligation in connection with the sale of its products and/or rendering of its services. Any recommendations made by Seller concerning the use, design, application or operation of the products shall not be construed as representation or warranties, expressed or implied. Failure by Seller to make recommendations or give advice to Buyer shall not impose any liability upon Seller.

INDEMNIFICATION: The buyer shall at its own expense apply for and obtain any permits and inspections required prior to or for the installation and/or use of the products. Seller makes no promise or representation that the products or service will conform to any international, federal, state, or local laws, ordinances, regulations, codes or standards, except as particularly specified and agreed upon in writing by Seller. The Seller's Products are not for the use in or with any nuclear facility unless specifically so stated by Seller's in writing. Seller shall not be responsible for any losses, or damages sustained by the Buyer or any other person (s) as a result of improper installation or misapplication of the products. Buyer shall defend, indemnify and hold harmless Seller and its agents and/or employees against any loss, damage, claim, suit, liability, judgment or expense (including without limitation, attorney's fees) arising out of or in connection with any injury, disease or death of persons (including without limitations, Buyer's employees, and agents) or damage to or loss of any property or the environmental, or violation of any applicable laws or regulations resulting from or in connection with the sale, transportation, installation, use or repair of the products by Buyer or of the information, designs, services, or other work supplied to Buyer, whether caused by the concurrent and/or contributory negligence of Buyer, Seller, or any of their agents, employees or suppliers.

INSPECTION AND ACCEPTANCE: Claims for damage, shortage or errors in shipping must be reported within (1) day following delivery to Buyer. Buyer shall have seven (7) days from the date Buyer receives any products to inspect such products and service for defects and nonconformance which are not due to damage, shortage or error in shipping and notify, Seller, in writing, of any defects nonconformance or rejection of such products. After such seven (7) days period, Buyer shall be deemed to have irrevocably accepted the products, if not previously accepted. After such acceptance, Buyer shall have no right to reject the products for any reason or to revoke acceptance. Buyer hereby agrees that such seven (7) days period is a reasonable amount of time for such inspection and revocation. Buyer shall have no right to order any change or modification to any product or services previously ordered by the Buyer or its representatives or cancel any order without Seller's written consent and payment to Seller of all Changes, expenses, commissions, and reasonable profits owed to or incurred by Seller. Any Products made to order or fabricated ordered items may not be canceled or returned, and no refund will be made. Any merchandise alleged to be defective in workmanship or material will be replaced subject to manufacturer's inspection and warranty.

RETURNS: Buyer may return any product which Seller stocks with no restocking charge if (i) it is in new condition, suitable for resale, it's undamaged in original packaging and with all its original parts and (ii) its has not been used, installed, modified, rebuilt, reconditioned, repaired, altered, or damaged. Buyer's surplus job returns, and those not meeting (i) and (ii), above, will be evaluated on an individual basis after Buyer has contacted Seller's authorized representative for prior permission. Special orders or non-stock items may be returned only if the manufacturer will accept the return. Except for items Seller stock which meet (i) and (ii) above credit memoranda issued for authorized returns shall be subject to the following deductions • putting items in a salable condition; (b) transportation charges, if not prepaid; and (c) handling and restocking charges determined by Seller to Buyer prior to Seller issuing a (MAR) Material Authorization Return number. Orders for custom made items, or to Buyer's specifications or drawings, or modified at customer request will not be returnable under any circumstances.

SHIPMENTS: All products are shipped F.O.B. point of shipment. Risk of loss shall transfer to the Buyer upon tender of good to Buyer's representative, or common carrier. The cost of any special packaging or special handling caused by Buyer's requirements or requests shall be added to the amount of order. If Buyer causes or requests a shipment delay, or if Seller ships or delivers the products erroneously as a result of inaccurate, incomplete or misleading information supplied by Buyer or its agents or employees, shortage and all other additional cost and risks shall be borne by Buyer. No claims for shortages or shipping errors will be allowed unless made in writing with one (1) day of receipt of a shipment. Claims for products damaged or lost in transit should be made by Buyer to the carrier, as Seller's responsibility ceases upon delivery to the carrier.

TAXES: The amount of any sales, excise or other taxes, if any, applicable to the products shall be added to the purchase price and shall be paid by Buyer unless Buyer provides Seller with an exemption certificate acceptable to the taxing authorities. Any taxes which Seller may be required to pay or collect under any existing or future law, upon or with respect to the sale, purchase, delivery, storage, processing, use or consumption of any of the products, including taxes upon or measured by the receipts from the sale thereof, shall be for the account of the Buyer, who shall promptly pay the amount thereof to Seller, upon.

SEVERABILITY: These terms and conditions of sale shall not be construed against the party preparing them but shall be construed as if all parties jointly prepared their terms and conditions of sale and any uncertainty or ambiguity shall not be interpreted against any one party. If any provision hereof is held to be illegal, invalid or unenforceable under any present or future laws, such provision shall be fully severable and the terms and conditions herein shall be construed and enforced as if such illegal, invalid or unenforceable provision had never been made a part of hereof. The remaining provisions herein shall remain in force and effect and shall not be affected by such illegal, invalid or by their severance here from.

SET-OFF: Buyer shall not be entitled to set-off of any amounts due Buyer against any amount due Seller in connection with this transaction.

NON-WAIVER: Seller's failure to insist upon the strict performance of any term or condition herein shall not be deemed a waiver of any of Seller's rights or remedies hereunder, nor of its right to insist upon the strict performance of the same or any other term herein in the future. No waiver of any term or condition hereunder shall be valid unless in writing and signed by Seller's Manager.

ENTIRE AGREEMENT: This document constitutes the entire, complete, and exclusive agreement between the parties and contains all the agreements and conditions of this sale, no course of dealing or usage of trade shall be applicable unless expressly incorporated herein. The terms and conditions contained herein may not be added to, modified, superseded or otherwise altered except by written modification signed by the Seller's Manager. All transaction shall be governed solely by the terms and conditions contained herein.