

## STANDARD TERMS AND CONDITIONS OF SALE

1. Agreement to Terms: Buyer and Seller agree that Buyer's order is an offer to purchase the goods or services listed in its order on the terms and conditions listed below (which terms and conditions shall constitute the "Agreement"). Seller shall accept the offer either via: (i) a written acknowledgement which specifically references the applicable order; (ii) the shipment of the goods specified in the order; or (iii) the performance of the services specified in the order; provided, however, the banking, negotiation or other use of any payment shall not constitute an acceptance by Seller. Provisions or conditions of Buyer's order which are in any way inconsistent with or additional to this Agreement (except special provisions which specify shipping or billing instructions) shall not be applicable to or binding upon Seller. Retention by Buyer of any goods delivered by Seller hereunder shall be conclusive evidence of the acceptance by Buyer of the terms and conditions of this Agreement. Seller's failure to object to the provisions contained in any communication from Buyer will not be a waiver of the provisions hereof.

2. Title and Delivery: Shipments shall be delivered F.C.A. shipping point. Title and liability for loss or damage shall pass to Buyer upon Seller's tender of delivery of the goods to a carrier for shipment to Buyer and any subsequent loss or damage shall not relieve Buyer from any obligation. Seller may deliver the goods in installments. Delivery Dates are estimates and failure to meet such dates shall not constitute default by Seller and Seller shall not be liable to Buyer for any loss or expense (consequential or otherwise) incurred by Buyer if Seller fails to meet the estimated delivery dates. Goods returned for credit without Seller's written permission will not be accepted.

3. Changes: Changes requested by Buyer will be accepted by Seller in its sole discretion. Such changes will not be accepted by Seller unless: (i) requested by the Buyer in writing; (ii) any increases in cost resulting from such change are added to the original purchase price; and (iii) any changes to delivery date estimates necessary as a result of the requested changes are agreed to by Buyer. Changes made by Seller will be deemed accepted by Buyer unless Buyer notifies Seller of Buyer's exception within 10 days.

4. Prices: All price quotations are firm for thirty (30) days from the date of the quotation. After thirty (30) days, changes to quotations may be made at Seller's discretion without notice to Buyer. Price quotations on goods scheduled or forecasted for delivery beyond twelve (12) months from the date of the quotation are not binding on Seller and Seller's standard prices in effect on the date of such shipments shall apply. Prices quoted and acknowledged do not include federal, state or local taxes as applicable. All prices quoted and acknowledged are subject to correction for stenographic, typographic and clerical errors. If Buyer fails to take delivery of a quantity of goods which would qualify him for the quantity discount price which he is receiving, Buyer will be back billed according to the price in effect at the time the order was placed.

5. Payment: Terms of payment are net thirty (30) days. Credit is extended at the discretion of Seller and may be changed or withdrawn at any time for any reason. Each shipment made shall be treated as a separate transaction and Buyer shall pay for each transaction in accordance with the terms of payment hereof. If Buyer fails to make a payment when it is due, Seller reserves the right to withdraw credit and suspend or cancel performance under any or all purchase orders in which Seller has extended credit.

6. Warranties: THE FOLLOWING ARE IN LIEU OF ALL CONDITIONS OR WARRANTIES, EXPRESS, IMPLIED OR STATUTORY, INCLUDING BUT NOT LIMITED TO, (i) ANY IMPLIED CONDITIONS; (ii) IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE; OR (iii) ANY OTHER WARRANTY OBLIGATION ON THE PART OF SELLER. Except as otherwise provided below, Seller warrants the goods against faulty workmanship or the use of defective materials and warrants that the goods will conform to the specifications, drawings and descriptions as have been mutually agreed upon by Buyer and Seller in writing for a period of one (1) year from the date of shipment. Seller makes no warranty as to developmental, experimental and prototype goods except that such shall be free of defective material and faulty workmanship and that such goods conform to the applicable specifications, drawings and descriptions as have been agreed upon by Buyer and Seller only at the time of receipt by Buyer and for no longer period of time. These warranties are the only warranties made by Seller and can be amended only by a written document signed by an officer of Seller. If Seller breaches its warranties as contained herein, Seller's sole, maximum liability shall be (at Seller's option) to repair, replace or credit Buyer's account for any goods which are returned by Buyer during the applicable warranty period set forth above, provided that: (i) Seller is promptly notified in writing upon discovery by Buyer that the goods failed to conform to this Agreement with a detailed explanation of any alleged deficiencies; (ii) a Return Authorization Number is issued by Seller; (iii) the goods are returned to Seller, F.C.A. Seller's plant with Seller's Return Authorization (RA) Number clearly visible on the outside of the package; and (iv) Seller's examination of the goods discloses that such alleged deficiencies actually exist and were not caused by accident, misuse, neglect, alteration, improper installation, unauthorized repair or improper testing. Goods returned without a RA Number will not be accepted. If the goods fail to conform to the warranty, Seller shall reimburse Buyer for the transportation charges paid by Buyer for the goods. If Seller elects to repair or replace the goods, Seller shall have a reasonable time to make the repair(s) or replacement. Such repair, replacement or credit shall constitute fulfillment of all liability of Seller to Buyer whether based in contract, tort, indemnity, statutory provision or otherwise.

7. Intellectual Property: Buyer shall indemnify, defend and hold Seller harmless against any expenses, damages, costs, or losses resulting from any suit or proceeding brought for infringement of patents, trademarks or copyrights or for unfair competition arising from compliance with Buyer's designs, specifications or instructions. Seller shall not be liable for any costs or damages incurred by Buyer as a result of any suit or proceeding brought against the Buyer and Buyer shall indemnify, defend and hold Seller harmless against any expenses, damages or losses resulting from any suit or proceeding brought against Seller, either jointly or severally with Buyer, so far as such suit or proceeding is based upon a claim that either of the following constitutes either direct or contributory infringement of any patent, copyright or trademark: (i) the use of any good furnished by Seller in combination with products not supplied by Seller; or (ii) the manufacturing or other process of Buyer utilizing any good furnished by Seller.

Seller shall defend any proceeding brought against Buyer insofar as the proceeding is based on a claim that any goods manufactured and supplied by Seller directly infringe any duly issued United States patent, copyright or trademark and Seller shall pay all damages and costs finally awarded therein against Buyer, provided that Seller is promptly informed and furnished a copy of each communication or other action relating to the alleged infringement and is given authority, information and assistance from Buyer (at Seller's expense) necessary to defend or settle the proceeding. Seller shall not be obligated to defend or be liable for costs and damages if the infringement arises out of compliance with Buyer's specifications, or from a combination with, an addition to, or a modification of the goods after delivery by Seller, or from use of the goods, or any part thereof, in the practice of a process. In no event shall Seller's total liability to the Buyer exceed the aggregate sum paid to Seller by Buyer for the allegedly infringing good.

THE FOREGOING STATES THE SOLE LIABILITY OF THE PARTIES FOR INTELLECTUAL PROPERTY RIGHTS INFRINGEMENT AND IS IN LIEU OF ALL WARRANTIES, EXPRESS, IMPLIED OR STATUTORY WITH REGARD THERETO. THE SALE BY SELLER OF THE GOODS HEREUNDER DOES NOT GRANT TO, CONVEY OR CONFER UPON BUYER, BUYER'S CUSTOMERS OR UPON ANYONE CLAIMING UNDER BUYER, A LICENSE, EXPRESS OR IMPLIED, UNDER ANY PATENT RIGHT, COPYRIGHT, OR OTHER INTELLECTUAL PROPERTY RIGHT COVERING OR RELATING TO ANY COMBINATION, MACHINE OR PROCESS IN WHICH SAID GOODS MIGHT BE OR ARE USED.

8. Limitation of Liability: Seller's total liability whether for breach of contract, late delivery or non-delivery, negligence, strict liability in tort or otherwise (with the exception of indemnification liability for which the remedies are limited as stated in Section 7, is limited to the price of the particular good(s) sold with respect to which losses or damages are claimed less the purchase price for any items delivered and accepted by Buyer. IN NO EVENT SHALL SELLER BE LIABLE TO ANYONE FOR SPECIAL, COLLATERAL, INDIRECT, EXEMPLARY, INCIDENTAL OR CONSEQUENTIAL DAMAGES FOR BREACH OF ANY OF THE PROVISIONS OF THIS AGREEMENT, SUCH DAMAGES TO INCLUDE BUT NOT BE LIMITED TO, COSTS OF REWORK, RETESTING OR REMOVAL AND REINSTALLATION OF GOODS, LOSS OF GOODWILL, LOSS OF PROFITS OR LOSS OF USE.

9. Restrictions: Buyer shall: (a) not remove any proprietary markings on goods (b) not decompile, disassemble or reverse engineer any subcomponents, software or firmware of the goods (c) shall protect all confidential data of Seller with the same degree of care as it protects its own confidential and proprietary information.

10. Termination: (a) Buyer Default - In the event of any default by Buyer, Seller may in its sole discretion immediately terminate this Agreement. If, despite a default by Buyer, Seller elects to continue to make shipments, Seller's action shall not constitute a waiver of any default by Buyer or in any way affect Seller's rights and remedies under law for such default. (b) Convenience - Buyer may cancel this Agreement upon: (i) thirty days' written notice to Seller; and (ii) payment of cancellation charges to be determined in the sole discretion of Seller which shall include, but not be limited to, all costs both direct and indirect, incurred and committed for by Seller in connection with this Agreement. All orders scheduled to ship within thirty days from the written notice of cancellation are considered firm and non-cancelable.

11. Force Majeure: In the event either party hereto fails as a result of Force Majeure to carry out its obligations under this Agreement, and such party (the "Claiming Party") gives written notice and full particulars of such Force Majeure to the other party as soon as reasonably possible after the occurrence of the cause relied on, the obligations of the Claiming Party shall be suspended to the extent and during the continuance of such event of Force Majeure but for no longer period. "Force Majeure" shall mean an event (i) not within the control of the Claiming Party; and (ii) cannot be prevented or avoided by the Claiming Party through the exercise of due diligence.

12. Miscellaneous: This is not an exclusive agreement. If any provision of this Agreement shall be deemed to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby. This Agreement is the complete, final and exclusive statement of the terms of the agreement between the parties and supersedes any and all other prior agreements, whether oral or written, between them relating to the subject matter hereof. This Agreement may not be varied, modified, altered or amended by Buyer except in a writing signed by Seller. This Agreement shall inure to the benefit of, and be binding upon, the successors and assigns of the parties. This Agreement shall not be assigned without written consent. No waiver of any provision of this Agreement shall be effective unless made in writing and signed by Seller. A waiver of any default hereunder or of any term or condition of this Agreement shall not be deemed to be a continuing waiver or a waiver of any other default or any other term or condition. This Agreement will be governed by and construed in accordance with the laws of the State of Texas without regard to principles of conflicts of law. The forum of any litigation shall be in a state or federal court located in Dallas, Texas.

*Revised November 2006*