



## TERMS AND CONDITIONS OF SALE

All quotations and sales by Nasco Aerospace and Electronics, Inc., its subsidiaries or affiliates ("Nasco") are subject to these terms and conditions, those on the front of this document (quote, invoice) and any addendum to these terms and conditions by Nasco (collectively, "Customer Purchase Order"). All prior proposals, negotiations and representations, if any, are merged herein. Customer will be deemed to have assented to all terms and conditions contained herein by accepting any products, making any payments or ordering any products having previously received these terms and conditions. Upon acceptance of this quotation by Customer, this document shall become a contract subject to these terms and conditions.

1. Except as otherwise set forth on the front of this document (quote, invoice): Terms of payment are net 30 days from invoice date; prices are FOB Nasco facility; and prices do not include any taxes, freight, handling, duty or other similar charges, payment of which will be the sole responsibility of customer. Prices are conditioned upon timely payment and any past due balance will accrue interest at the monthly rate of one and one-half percent. Freight charges may be constructed on the basis of standard carrier tariffs and may not reflect actual transportation costs. Nasco reserves the right to modify terms prior to shipment, require payment in advance, or delay or cancel any shipment or order by reason of customer's creditworthiness or should customer fail to fulfill any obligation when due.

2. In the absence of prior agreement as to shipping, Nasco may select a carrier. Nasco's responsibility for any loss or damage ends, and title passes, when products are delivered to the carrier, to customer, or to customer's agent (including, without limitation, any test house or value added service provider), whichever occurs first. Customer will pay for storage charges if products are held by Nasco at customer's request pending instructions or rescheduled delivery.

3. Nasco warrants those products assembled or customized by it against defects caused solely by faulty assembly or customization for 30 days after delivery. All other products, and the components and materials utilized in any assembled or customized products, are covered by, and subject to, the terms, conditions, and limitations of the manufacturer's standard warranty, which warranty is expressly in lieu of any other warranty, express or implied, of or by Nasco or the manufacturer. Customer's exclusive remedy, if any, under these warranties is limited, at Nasco's election, to any one of

(a) refund of customer's purchase price,

(b) replacement of any such product. Customer acknowledges that except as specifically set forth or referenced in this paragraph, THERE ARE NO REPRESENTATIONS OR WARRANTIES OF ANY KIND (INCLUDING, WITHOUT LIMITATION, IN ADVERTISING MATERIALS, BROCHURES, OR OTHER DESCRIPTIVE LITERATURE) BY NASCO DISTRIBUTOR SALES OR ANY OTHER PERSON, EXPRESS OR IMPLIED, AS TO THE CONDITION OR PERFORMANCE OF ANY PRODUCTS, THEIR MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE, OR OTHERWISE. NASCO DISTRIBUTOR SALES ASSUMES NO RESPONSIBILITY OR LIABILITY WHATSOEVER FOR

MANUFACTURER'S PRODUCT SPECIFICATIONS OR THE PERFORMANCE OR ADEQUACY OF ANY DESIGN OR SPECIFICATION PROVIDED TO NASCO DISTRIBUTOR SALES BY OR ON BEHALF OF CUSTOMER. Use of the customer's part number on this document (quote, invoice) or on any products is for convenience only and does not constitute any representation by Nasco with respect to the performance, specifications, or fitness of any part for any purpose.

4. Nasco retains a purchase money security interest in all products sold by Nasco to customer, and in the proceeds of any resale of such products, until the purchase price and any other charges due to Nasco have been paid in full. Customer agrees to execute any financing statements Nasco may request in order to protect Nasco's security interest and hereby authorizes Nasco to execute and irrevocably appoints Nasco its attorney in fact for the execution of such financing statements. Upon any breach by customer of these terms and conditions, Nasco will have all rights and remedies of a secured party under the Uniform Commercial Code, which rights and remedies will be cumulative and not exclusive. Customer is responsible for all costs and expenses incurred by Nasco in collecting any sums owed by customer (which may include, but are not limited to, collection agency and reasonable attorneys' fees). If Nasco incurs costs collecting on any judgment arising out of customer's breach, customer will be responsible for them, and this provision will survive the entry of any such judgment. Nasco shall have the right to offset any sum owed by Nasco Distributor Sales or any Nasco subsidiary to Customer against any sum owed by Customer to Nasco or any Nasco subsidiary. All transactions are governed by the laws of the state of Florida. The parties waive any right to trial by jury.

5. Products are deemed accepted by customer unless customer notifies Nasco in writing within 30 days of delivery of product shortages, damage or defect. No returns may be made for any reason without a Return Authorization Form issued by Nasco. If customer refuses to accept tender or delivery of any products or returns any products without authorization from Nasco, such products will be held by Nasco awaiting customer's instruction for 20 days, after which Nasco may deem the products abandoned and dispose of them as it sees fit, without crediting customer's account.

6. Nasco will not be liable for any failure or delay in its performance or in the delivery or shipment of products, or for any damages suffered by customer by reason of such failure or delay, when such failure or delay is caused by, or arises in connection with, any Act of God, fire, flood, accident, riot, earthquake, severe weather, war, governmental interference or embargo, strike, shortage of labor, fuel, power, materials or supplies, delay in delivery by Nasco suppliers or any other cause or causes beyond Nasco's reasonable control. Nasco reserves the right to cancel without liability any order, the shipment of which is or may be delayed for more than 30 days by reason of any such cause. Nasco reserves the right to allocate in its sole discretion among customers or potential customers, or defer or delay the shipment of, any product which is in short supply.

7. This Customer Purchase Order contains the complete and entire agreement between the parties with respect to the subject matter of this Purchase Order. No other purchase order or other customer document will be deemed an offer or counter-offer and any such document is specifically rejected. Nasco's failure to object to any document, communication or act of customer will not be deemed a waiver of any of these terms and conditions. Any addition or change to these terms and conditions must be specifically agreed to in writing by a duly authorized officer of Nasco before becoming binding on Nasco.

8. If this Customer Purchase Order is placed under a contract with the United States Government, Nasco agrees to comply with those contract provisions and regulations with which, pursuant to law, it must comply and of which customer has, at the time of order placement, placed Nasco on notice. In no event will United States Government Cost Accounting Standards apply. All rights in technical data and software owned or licensed by Nasco or the manufacturer are hereby reserved and deemed restricted or limited. No provision of customer's contract with the government will be binding on Nasco or the manufacturer except as expressly set forth in this paragraph.

9. Unless specifically otherwise agreed in writing by Nasco, Customer acknowledges and agrees that products sold by Nasco are not intended for and will not be used in life support systems, human implantation, nuclear facilities or systems or any other application where product failure could lead to loss of life or catastrophic property damage. Customer will defend, indemnify and hold Nasco, and its officers, directors, employees, agents and advisors, harmless from and against any and all claims, suits, obligations, judgments, losses, damages and costs, including without limitation reasonable attorneys' fees and expenses arising out of or in connection with customer's breach of the provisions of this paragraph.

10. Any or all products may be subject to export or resale restriction or regulation, and customer acknowledges that it will comply with such regulations or restrictions. Any or all products may have been imported. Country of origin information is as provided to Nasco by its suppliers and is, where applicable, located on the products themselves or the supplier's innermost packaging thereof.

11. Nasco certifies that it complies with all applicable requirements of Sections 6, 7 and 15 of the Fair Labor Standards Act, as amended, and of regulations and orders of the United States Department of Labor issued under Section 14 thereof.

12. Limitation on Liability: Except for the warranty coverage referenced in paragraph 3, above, NEITHER NASCO AEROSPACE AND ELECTRONICS NOR ITS SUPPLIERS WILL HAVE ANY LIABILITY OR OBLIGATION TO CUSTOMER OR ANY OTHER PERSON FOR ANY CLAIM, LOSS, DAMAGE, OR EXPENSE CAUSED IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, BY THE INADEQUACY OF ANY PRODUCTS FOR ANY PURPOSE, BY ANY DEFICIENCY OR DEFECT IN ANY PRODUCT (WHETHER OR NOT COVERED BY ANY WARRANTY), BY THE USE OR PERFORMANCE OF ANY PRODUCTS OR BY ANY FAILURE OR DELAY IN NASCO PERFORMANCE HEREUNDER. NASCO DISTRIBUTOR SALES SHALL IN NO EVENT BE LIABLE FOR ANY CONSEQUENTIAL, INCIDENTAL, COLLATERAL, DIRECT OR INDIRECT, SPECIAL OR PUNITIVE DAMAGES, LOST PROFITS OR REVENUE, WORK STOPPAGE, IMPALEMENT OF OTHER GOODS, LOSS BY REASON OF SHUTDOWN OR NON-OPERATION OR INCREASED EXPENSES OF OPERATION, WHETHER OR NOT SUCH LOSS OR DAMAGE IS BASED ON CONTRACT, WARRANTY, NEGLIGENCE, INDEMNITY, STRICT LIABILITY OR OTHERWISE.

13. The performance of any value-added service may void the manufacturer's warranty and render products non-returnable. Orders incorporating such services are, accordingly, non-cancelable and the products are non-returnable. Any third party value-added service provider is deemed to be an agent of customer.

14. Any software included in or relating to products is supplied by the manufacturer. Nasco makes no representation or warranty with respect there to and will have no liability in connection therewith. Customer agrees to comply with the manufacturers or other requirements with regard to proprietary

and similar rights in and to such software (including any requirement to enter into a separate license agreement and prohibitions against duplicating or disclosing the same), even if the seal on any "shrink wrapped" software has been broken by Nasco, and will indemnify Nasco against and hold it harmless from any and all liability, claims, suits, obligations, judgments, losses, damages and costs, including without limitation reasonable attorneys' fees and expenses arising out of or in connection with a breach or purported breach of such requirements.

15. All information pertaining to and the results of Customer's Evaluation shall be deemed strictly confidential (the "Confidential Information") and shall not be disclosed to any third party. If Customer is subpoenaed or otherwise ordered by a court to disclose the Confidential Information, Customer shall immediately notify Nasco before responding to any such subpoena or court order in order to provide time for Nasco to seek a protective order or other appropriate relief. It is understood that a breach of this provision by Customer may cause irreparable harm to Nasco the loss of which cannot be reasonably or adequately compensated in damages in an action at law.

16. This Customer Purchase Order imposes no obligation upon a Customer with respect to information that:

(a) was in the possession of the Customer before receipt from Nasco; (b) is or becomes a matter of public knowledge through no fault of the Customer;

(c) is rightfully received by the Customer from a third party without a duty of confidentiality to Nasco Distributor Sales; or

(d) is disclosed by Customer after receiving prior written approval from a duly authorized representative of Nasco.

17. Nasco may assign accounts receivable to a Nasco affiliate. In order to defray the cost of customer account administration, any credit balance or other sum owed to customer who remains unclaimed by customer for a period of eighteen months will become the property of Nasco.

18. No Customer Purchase Order may be cancelled, rescheduled or reconfigured without Nasco prior written authorization and, in such event; Customer will be liable to Nasco for any additional costs and expenses incurred by Nasco Distributor Sales.

19. Prices are subject to change by Nasco upon Customer rescheduling or reconfiguration of Orders. Prices are also subject to change in response to supplier price increases, whereupon, Customer may cancel the undelivered portion of any affected Order by delivering written notice to Nasco prior to the shipment thereof and within 10 days of its receipt of notice of the price increase.

20. If any provision hereof is held invalid or unenforceable by a court of competent jurisdiction, such invalidity shall not affect the validity or operation of any other provision and such invalid provision shall be deemed to be severed from this Customer Purchase Order.

21. The provisions of this Customer Purchase Order shall be interpreted in accordance with the laws of the State of Florida without resort to said state's Conflict of Law rule, and in accordance with its fair meaning and not strictly against either party. Any claims arising hereunder or relating hereto shall be prosecuted only in the appropriate court of the State of Florida or in the United States District Court for the Middle District of Florida. The parties hereby consent to venue and to the exercise of assigned

jurisdiction over them in such courts and agree not to make any claim or demand in any other jurisdiction or forum.