

## BTC TERMS AND CONDITIONS OF SALE

The sale of products and services ("Products") by BTC Electronic Components, Inc. ("BTC") are subject to these terms and conditions ("Agreement") regardless of any other additional terms or conditions in any purchase order, document or other communication ("Order") that conflict or contradict this Agreement unless a Customer ("Customer") has a written contractual agreement with BTC regarding the purchase of Products. Preprinted terms and conditions on any Customer ("Customer") document, including, but not limited to purchase orders or confirmations, and/or BTC's failure to object to conflicting or additional terms will not change or add to the terms of this Agreement. In the event that Customer and BTC have a written contractual agreement regarding the Purchase of Products, then the terms and conditions contained in that agreement, supplemented by the non-conflicting terms contained in this Agreement, shall govern the sale of Products purchased from BTC.

**1. ACCEPTANCE & CANCELLATION OF ORDERS.** All Orders are subject to acceptance by BTC. Orders for special, custom, value-added and Products specifically identified by BTC as non-standard are non-cancelable and non-returnable ("NCNR"). The Customer may not cancel or reschedule Orders for standard Products without BTC's consent, which shall not be unreasonably withheld.

**2. ELECTRONIC ORDERS.** In the event that any part of the purchase and sale of Products utilizes electronic data interchange, internal or third party portal, or any other electronic means ("Electronic Purchase Order"), this Agreement, or any other validly executed agreement between BTC and Customer, will continue to apply to the purchase and sale of Products between Customer and BTC.

**3. PRICES.** BTC's quoted prices apply for 30 days or as otherwise stated in its quote. Prices are subject to change at any time. Prices are for Products only and do not include taxes, impositions and any other charges, fees, shipping charges and duties imposed by any government authority. Customer is responsible for any additional fees and taxes, including sales, use excise and similar taxes attributable to the sale of Products.

**4. TERMS.** Our standard terms of payment are net 30 days from date of invoice. On any past due invoice, BTC may charge interest from the payment due date to the date of payment (at 1 1/2% per month), plus reasonable attorney fees and collection costs. BTC may change the terms of Customer's credit at any time. BTC may apply payments to any of Customer's accounts or invoices.

**5. DELIVERY AND TITLE.** All prices quoted for Products are F.O.B. BTC's facility. Unless agreed to in writing, Customer shall pay all freight, handling, delivery and insurance charges for shipments of Products. Title and risk of loss pass to Customer upon delivery of the Products to the carrier. BTC's delivery dates are estimates only and BTC is not liable for delays in delivery. BTC reserves the right to make partial shipments and Customer will accept delivery and pay for the Products delivered. A delayed delivery of any part of an Order does not entitle Customer to cancel other deliveries.

**6. PRODUCT ACCEPTANCE & RETURNS.** Customer is deemed to have accepted Products unless written notice of rejection is received within 10 days after delivery. Customer cannot return Products without a return material authorization ("RMA") number. RMAs will be issued only for damage, shortage or other discrepancy to Products created solely by BTC or the original manufacturer. RMAs will not be granted for damage, shortage or other discrepancy created by Customer, the carrier, freight provider or any other third party. Returned Products must be in original manufacturer's shipping cartons or equivalent. Customer must return all Products, freight prepaid, as specified in the RMA and pay any restocking charges. At BTC's discretion, BTC will return all Products not eligible for return to Customer freight collect or hold Product for Customer's account at Customer's expense.

**7. BTC'S LIMITED WARRANTY.** BTC will transfer to Customer any Product warranties and indemnities authorized by the manufacturer, including any transferable warranties and indemnities for intellectual property infringement. BTC warrants the Products will conform to the manufacturer's specifications. Value-added work performed by BTC on Products will conform to Customer's specifications. BTC makes no other warranty, express or implied. BTC makes no warranty of merchantability, fitness for purpose or non-infringement. If Products do not meet manufacturer's specifications or if value-added work by BTC does not meet Customer's specifications, at BTC's choice: (1) the Products will be repaired, (2) the Products will be replaced at no cost to Customer; or (3) the cost of the Product's purchase price will be refunded to the Customer. Customer must return Products to BTC, along with acceptable proof of purchase, within the warranty period specified by the manufacturer, freight charges prepaid.

**8. LIMITATION OF LIABILITY.** BTC is not liable for and customer is not entitled to any indirect, special, incidental or consequential damages, including, but not limited to, loss of profits, loss of revenue, loss of data, loss of use, loss of customers, rework, manufacturing expense or injury to reputation. Customer's recovery from BTC for any direct damages will not exceed the price of the Product at issue. Customer will indemnify, defend and hold BTC harmless from any claims based on (i) BTC's compliance with customer's drawings, design, specification or instruction, (ii) Modification of any Products by anyone other than BTC, or (iii) Use in combination with other Products.

**9. FORCE MAJEUR.** BTC is not liable for failure to fulfill its obligations for any accepted Order or for delays in delivery due to causes beyond its reasonable control including, but not limited to, acts of God, acts or omissions of the Customer or civil or military authorities, man-made or natural disasters, fires, flood, earthquake, riot, war, epidemic medical crises, materials shortages, strikes, acts of terrorism, delays in transportation or inability to obtain labor or materials through its regular sources.

**10. USE OF PRODUCTS.** Products are not authorized for use in critical safety, life support, human implant, nuclear facilities or other applications where a failure may reasonably be expected to result in personal injury, loss of life or catastrophic property damage. If Customer uses or sells the Products for use in any such applications, Customer acknowledges that such use or sale is at Customer's sole risk. Customer will indemnify, defend and hold BTC and the Product manufacturer harmless from and against any and all liabilities and costs arising out of or in connection with such use or sale.

**11. INSTALLATION.** Customer shall be solely responsible for the installation and operation of the Products including without limitation the obtaining of all permits, licenses or certificates required for the installation of such Products.

**12. EXPORT/IMPORT.** Certain Products sold by BTC and other documentation are subject to export control laws, regulations and orders of the United States and the export or import control laws and regulations of other countries. Customer will not directly or indirectly export or divert any Products or documentation to any third party or country where such export or transmission is restricted or prohibited. Customer agrees it is responsible to obtain any license to export, re-export, or import Products as may be required.

**13. TECHNICAL ADVICE AND PRODUCT INFORMATION.** Any technical advice offered or given in connection with the use of any Product is an accommodation to Customer without charge and BTC shall have no responsibility or liability whatsoever for the content or use of such advice. Without BTC's prior written consent, Customer shall not use, duplicate or disclose any technical data delivered or disclosed by BTC to Customer for any purposes other than for installation, operation or maintenance of Products purchased by Customer. Product information, including information related to a Product's specifications, export/import control classifications, uses or conformance with legal or other requirements ("Product Information") is obtained by BTC from its suppliers or other sources. Such information is provided by BTC on an "AS IS" basis. BTC makes no representation as to the accuracy or completeness of the Product Information and disclaims all representations, warranties and liabilities under any theory with respect to the Product Information, including implied warranties of merchantability, fitness for a particular purpose, title and non-infringement. BTC recommends Customer validate any Product Information before using or acting on such information. All Product Information is subject to change without notice. BTC is not responsible for typographical or other errors or omissions in Product Information.

**14. PATENT INFRINGEMENTS.** BTC makes no representations that any Products sold to Customer are free of the rightful claim of any third person by way of infringement, or of infringement of patent or trademark or the like and disclaims any warranty against infringement with respect to any Products. Customer agrees to look solely to the manufacturer or licensor of the products with respect to any claim of infringement. Furthermore, Customer agrees to protect, defend, indemnify and hold harmless BTC from all sums, costs, expenses and attorney fees which BTC may incur or be obligated to pay as a result of any and all claims and demands, causes of action or judgments arising out of or relating to any use, modification or enhancement of the Products purchased by Customer unless such use, modification, or enhancement is approved in writing by the manufacturer or licensor of the Products.

**15. GENERAL.** The laws of the State of North Carolina will exclusively govern any dispute between BTC and Customer. The United Nations Convention for the International Sale of Goods shall not apply. The several captions used herein are for the convenience of the parties only and shall not affect the instruction or interpretation hereof. Customer may not assign this Agreement without the prior written consent of BTC. This Agreement is binding on successors and assigns. BTC and Customer are independent contractors and agree that this Agreement does not establish a joint venture or partnership. BTC'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. The unenforceability of any of these terms or conditions will not affect the remainder of the terms or conditions. This Agreement can only be modified in writing signed by authorized representatives of both BTC and Customer.