

**REYCOMP**  
**CORPORATION TERMS**  
**OF SALE**

1. Prices. Prices are based on the specifications and quoted quantities, and include REYCOMP-designed packaging. Prices exclude export licensing of the Product; payment of broker's fees; taxes duties or similar charges (other than those based on net income of REYCOMP) imposed by any taxing authority upon the manufacture, sale, shipment, storage, "value add" or use of the Product which REYCOMP is obligated to pay or collect; and setup, tooling, or non-recurring engineering activities. Prices shall remain fixed for the term of the Agreement, subject to REYCOMP's right to revise Prices (i) to account for any variations on the market prices of components, parts and raw material (collectively "Components"), including any such variations resulting from shortages, (ii) to account for any changes in the exchange rate between the currency in which the pricing is calculated and the currency in which REYCOMP pays for its labor, overhead, and Components, or (iii) in the event of a change in the specifications or quantities ordered.

2. Payment Terms. Payment terms are net thirty (30) days after date of invoice. On any invoice not paid by maturity date, CUSTOMER shall pay interest from maturity to date of payment at the rate of 1.5% per month. Any pricing or quantity discrepancies must be brought to REYCOMP's attention within five (5) days after receiving these terms.

3. Orders.

a. General. CUSTOMER acknowledges that REYCOMP shall make purchase commitments (including purchase commitments for Long Lead-time Components) to its Component suppliers ("Vendors") based upon the Order, and CUSTOMER shall be responsible for all such Components purchased in support of CUSTOMER's then-current Orders.

b. Long Leadtime Items; Minimum/Multiple Buys. CUSTOMER acknowledges that REYCOMP often must place orders for Components well in advance of the CUSTOMER's delivery date. At CUSTOMER's request, REYCOMP will provide to CUSTOMER a list of Components with leadtimes in excess of ninety days ("Long Leadtime Components"). CUSTOMER acknowledges that Vendor leadtimes are subject to change, and agrees to be financially responsible for all Long Leadtime Components purchased in accordance with the Vendor's then-current leadtimes. CUSTOMER further acknowledges that REYCOMP will be required to order Components in accordance with the various minimum buy quantities, tape and reel quantities, and multiples of packaging quantities required by the Vendor, and agrees that it shall be financially responsible for all such Components.

c. Liability. CUSTOMER acknowledges that it shall be financially liable for all Components ordered in accordance with this Section. CUSTOMER's Component Liability shall be equal to REYCOMP's Delivered Cost of all Components ordered in support of any Order, less the actual cost of those Components which are returnable to Vendor (less any cancellation or restocking charges). REYCOMP shall use commercially reasonable efforts to minimize CUSTOMER'S Component Liability by attempting to return Components to the Vendor; provided, however, that REYCOMP shall not be obligated to attempt to return to Vendor Components which are, in the aggregate (e.g., per line item), worth less than \$1,000.

4. Delivery/Acceptance. All Product shipments shall be F.O.B. REYCOMP's facility of manufacture and freight collect; title to and risk of loss or damage to the Product shall pass to CUSTOMER upon REYCOMP's tender of the Product to CUSTOMER's carrier. Acceptance of the Product shall occur no later than fifteen (15) days after shipment, and shall be based solely on whether the Product passes a mutually agreeable Acceptance Test Procedure or Inspection designed to demonstrate compliance with the Specifications. Product cannot be rejected based on criteria that were unknown to REYCOMP or based on test procedures that REYCOMP does not conduct. Product shall be deemed accepted if not rejected within this fifteen-day period.

5. Warranty. REYCOMP's warranty period is for 90 days from date of manufacture and is limited to correction of defects in REYCOMP workmanship. REYCOMP shall, at its option and at its expense, repair, replace or issue a credit for Product found defective during the warranty period. In addition, REYCOMP will pass on to BUYER all manufacturers' Component warranties to the extent that they are transferable, but will not independently warrant any Components. All warranty returns shall be done in accordance with REYCOMP's authorized returned material policy. REYCOMP's warranty does not include Products that have defects or failures resulting from CUSTOMER's design of the Products; accident, disaster, neglect, abuse, misuse, improper handling; alterations, modifications or repairs by CUSTOMER or third parties; or defective CUSTOMER-provided test equipment or test software. CUSTOMER bears all design responsibility for the Product. THE SOLE REMEDY UNDER THIS WARRANTY SHALL BE THE REPAIR,

REPLACEMENT OR CREDIT FOR DEFECTIVE PARTS AS STATED ABOVE. THIS WARRANTY IS IN LIEU OF ANY OTHER WARRANTIES EITHER EXPRESS OR IMPLIED, INCLUDING MERCHANTABILITY, NON-INFRINGEMENT, COMPLIANCE WITH ROHS AND WEEE (AND SIMILAR LEGISLATION IN OTHER COUNTRIES), AND FITNESS FOR A PARTICULAR PURPOSE.

6. Termination. In the event an Order is cancelled or this Agreement is terminated for any reason (including a breach by REYCOMP or a Force Majeure Event), CUSTOMER shall pay REYCOMP, termination charges (collectively, the "Termination Charges") equal to (1) the contract price for all finished product existing at the time of termination; (2) REYCOMP's cost for all work in process; and (3) REYCOMP's Delivered Cost of Components ordered in support of CUSTOMER's Orders.

7. Indemnification. REYCOMP shall indemnify, defend, and hold CUSTOMER and CUSTOMER's affiliates, shareholders, directors, officers, employees, contractors, agents and other representatives harmless from all third party demands, claims, actions, causes of action, proceedings, suits, assessments, losses, damages, liabilities, settlements, judgments, fines, penalties, interest, costs and expenses (including fees and disbursements of counsel) of every kind (each a "Claim," and, collectively "Claims") (i) based upon personal injury or death or injury to property (other than damage to the Product itself, which is handled in accordance with the Warranty Section) to the extent any of the foregoing is proximately caused either by the negligent or willful acts or omissions of REYCOMP or its officers, employees, subcontractors or agents and/or (ii) arising from or relating to any actual or alleged infringement or misappropriation of any patent, trademark, mask work, copyright, trade secret or any actual or alleged violation of any other intellectual property rights arising from or in connection with REYCOMP's manufacturing processes. CUSTOMER shall indemnify, defend, and hold REYCOMP and REYCOMP's affiliates, directors, officers, employees, contractors, agents and other representatives harmless from all third party Claims (i) based upon personal injury or death or injury to property to the extent any of the foregoing is proximately caused either by a defective Product or by the negligent or willful acts or omissions of CUSTOMER or its officers, employees, subcontractors or agents and/or (ii) arising from or relating to any actual or alleged infringement or misappropriation of any patent, trademark, mask work, copyright, trade secret or any actual or alleged violation of any other intellectual property rights arising from or in connection with the Products, except to the extent that such infringement exists as a result of use by CUSTOMER of REYCOMP's manufacturing processes.

8. Limitation of Liability. IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER FOR ANY INDIRECT, CONSEQUENTIAL, INCIDENTAL OR SPECIAL DAMAGES, OR ANY DAMAGES WHATSOEVER RESULTING FROM LOSS OF USE, DATA OR PROFITS, EVEN IF SUCH OTHER PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. THE LIMITATION SET FORTH IN THIS SECTION SHALL APPLY WHERE THE DAMAGES ARISE OUT OF OR RELATE TO THIS AGREEMENT. For the purpose of this Section, both lost profits and damages resulting from value added to the Product by CUSTOMER shall be considered consequential damages, but amounts required to be paid to a third party as a royalty or license fee shall not be considered consequential damages. IN NO EVENT SHALL REYCOMP'S LIABILITY UNDER THIS AGREEMENT FOR ANY PRODUCT (WHETHER ASSERTED AS A TORT CLAIM OR CONTRACT CLAIM) EXCEED THE AMOUNTS PAID TO REYCOMP FOR SUCH PRODUCT HEREUNDER. IN NO EVENT WILL REYCOMP BE LIABLE FOR COSTS OF PROCUREMENT OF SUBSTITUTE GOODS BY CUSTOMER. THESE LIMITATIONS SHALL APPLY NOTWITHSTANDING ANY FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY.

9. Other. Any changes to the Product or specifications shall be done through REYCOMP's standard ECO process. Each party will agree to maintain the confidentiality of the other party's confidential information. This Agreement shall be governed in accordance with the laws of Texas, and the state or federal courts in Tarrant County, Texas shall have exclusive jurisdiction over this Agreement.