

WESTERN INTEGRATED TECHNOLOGIES: TERMS AND CONDITIONS OF PURCHASE

ACCEPTANCE. (a) The order incorporating these Terms and Conditions of Purchase becomes a binding contract when it is accepted by Vendor. Either an acknowledgement by Vendor or the commencement of performance by Vendor shall constitute acceptance. Acceptance may be only on the exact terms herein set forth. No condition stated by Vendor in accepting this order shall be binding on Purchaser if different from or in addition to the conditions set forth herein, unless agreed to in writing by Purchaser. (b) if this order follows an offer by Vendor setting forth Vendor's conditions of sale, Purchaser's acceptance of Vendor's offer is expressly conditioned on Vendor's assent to the additional or different conditions set forth herein. Prior to or in the absence of Vendor's assent to Purchaser's conditions, there shall be no agreement in effect between Vendor and Purchaser.

SPECIFICATIONS. Vendor shall comply with any specification stated on the face of this order or incorporated herein, and with any applicable United States Government specifications. Upon request Vendor shall furnish Purchaser with a certificate executed by an authorized representative of Vendor confirming Vendor's compliance with all applicable specifications.

WARRANTIES. Vendor warrants that all items delivered and services provided hereunder shall be free from defects in workmanship, material and manufacture, shall comply with the requirements of this order, including any drawings or specifications incorporated herein or samples furnished by Vendor; shall be non-surplus goods of new manufacture, and if of Vendor's design, shall be free from defects in design. Vendor further warrants that all items purchased hereunder shall be of merchantable quality and shall be fit and suitable for the purposes intended, whether expressed or reasonably implied. The foregoing warranties shall survive any delivery, inspection, acceptance or payment by Purchaser, and shall run to Purchaser, its successor, assigns, customers and any third parties injured in person or property by reason of any breach thereof.

INSPECTION. (a) Purchaser shall have the right to inspect and test all work under this order at all reasonable times including during manufacture. Vendor shall furnish without additional charge all reasonable facilities and assistance for safe and convenient inspections or tests. (b.) Notwithstanding any prior examination, payment or the passage of title, all items are subject to final inspection and acceptance at Purchaser's plant. If the time for final inspection is not specified on the face of this order, such final inspection shall be made within 90 days after receipt of the items at Purchaser's plant.

DEFECTIVE OR NONCONFORMING ITEMS: (a) If any items are found to be defective or otherwise not in conformity with the requirements of this order, Purchaser, in addition to its other rights and remedies, may reject all or some of such items and require either their correction or their replacement at Vendor's expense, including inspection, shipping and packing charges. Alternatively, Purchaser may at its option repair or replace all or some of such nonconforming items at Vendor's expense. Purchaser may charge back to Vendor's account the amount paid for rejected items pending redelivery of same or replacements therefore. Any items previously rejected shall not be resubmitted for Purchaser's acceptance without concurrent notice of the prior rejection. (b) All risk of loss of or damage to the items to be delivered hereunder shall be upon Vendor until such items are delivered at the F.O.B. point specified in this order. In addition, Vendor shall bear all risk of loss of or damage to items rejected by Purchaser after notice of rejection to Vendor until such items or replacements therefor are redelivered, except for any loss or damage resulting from the negligence of officers, employees or agents of Purchaser, acting within the scope of their employment. (c.) No action taken by Purchaser under this section shall be deemed to extend any delivery dates specified on the face of this order.

CHANGES: (a) Purchaser may at any time by written order to Vendor make changes within the general scope of this order in any one or more of the following: (1) quantity of items or services ordered; (2) drawing, designs or specifications; (3) delivery or performance schedules; (4) shipping and billing instructions; and (5) place of delivery. (b) Vendor shall proceed promptly to make such changes in accordance with the terms of Purchaser's written change order. If any such change causes an increase or decrease in the cost of performance of this order, or in the time required for performance, an equitable adjustment shall be made in the purchase order price or the performance schedule or both and this order shall be amended in writing accordingly. Any claim by Vendor for adjustment under this provision shall be asserted in writing within thirty days from the date of the written order effecting the change. In the absence of such notification Purchaser shall not be obligated to consider Vendor's claim for an equitable adjustment resulting from the change. In no event shall Purchaser be obligated to consider any claim for any increase in price after final payment to Vendor hereunder. Where the cost of property made obsolete or excess as a result of a change is included in Vendor's claim for adjustment, Purchaser shall have the right to prescribe the manner of disposition of such property.

SHIPPING AND BILLING: (a) Packing. All items shall be packed in suitable containers for protection in shipment and storage and in accordance with any specifications of purchaser. Vendor shall be responsible for all packaging and packing costs unless otherwise agreed to in writing by purchaser. (b) Marking. Vendor shall indicate plainly the number of this order on all packages shipped pursuant hereto and on all packing slips and bills of lading relating to this order. (c) Invoice. Vendor shall render to purchaser's accounts payable department of the date of shipment a separate invoice in duplicate for each shipment made pursuant to this order and shall indicate thereon the number of this order. Any discount period shall be calculated from the date an acceptable invoice is received or the date items are received by Purchaser, whichever is later.

HAZARD COMMUNICATION. Seller shall comply with the OSHA hazard Communication Standard (29 CFR section 1910-1200.) all state and local right-to-know laws, and all other Federal, state and local laws regulations relating to hazardous chemicals, including the material safety data sheet.

Shelf Life controls: The supplier shall assure that shelf life sensitive items (such as paints, adhesives, batteries, gaskets and O-rings as applicable) are controlled in an effective manner from procurement, receipt to usage. WIT expects that the supplier shall require its sub suppliers to indicate the "date of manufacture". No shelf life sensitive products shall be shipped to WIT without at least 75% of the shelf life available to WIT unless prior written permission is taken from WIT.

COUNTERFEIT, FRAUDULENT AND SUSPECT ITEMS (CFSI) IN THE SUPPLY CHAIN: The supplier shall be vigilant about introduction of CFSI in its supply chain.

Compliance: The supplier shall keep all necessary records of inspections, test reports, repairs, personnel qualifications and materials to satisfactorily prove that all requirements of the specifications were met. COMPANY reserves the right to make on-site inspection of the supplier's facilities and verify, at any time, that all requirements of the specifications were met.

PROCESS CALIBRATION DATA: All items purchased on this order that require calibration shall be traceable to NIST, or national standard or laboratory or a natural constant.

CERTIFICATE OF CONFORMANCE OR TEST REPORT: Supply a "Certificate of Conformance" to PO requirements, which meets the following criteria: (a) Identify the PO number, (b) Identify any exceptions or non-conformance to PO requirements. (c) Be attested to by a person responsible for assurance of quality.