

## GENERAL TERMS AND CONDITIONS OF SALE

Top Hi-Tech Co., Ltd. is herein referred to as the "Seller," and the customer or entity receives products and/or services ("Products") from Seller is referred to as the "Buyer." These Terms and Conditions, any price list or schedule, quotation, acknowledgment or invoice from Seller relevant to the sale of the Products and all documents incorporated by specific reference herein or therein constitute the complete and exclusive statement of the terms of the agreement governing the sale of Products by Seller to Buyer.

**1. ACCEPTANCE** Seller's acceptance of Buyer's purchase order is expressly conditional on Buyer's assent to all of Seller's terms and conditions of sale, including terms and conditions that are different from or additional to the terms and conditions of Buyer's purchase order. Seller reserves the right in its sole discretion to refuse orders.

**2. PRICES** Unless otherwise agreed and specified in writing by and between Seller and Buyer, the price quoted or specified by Seller for the Products shall remain in effect for thirty (30) days after the date of Seller's quotation or acknowledgment of Buyer's order for the Products, whichever occurs first, provided an unconditional authorization from Buyer for the shipment of the Products is received and accepted by Seller within such time period. If such authorization is not received by Seller within such thirty (30) day period, Seller shall have the right to change the price for the Products to Seller's price for the Products at the time of shipment. All prices are exclusive of taxes, transportation and insurance, which are to be borne by Buyer. Any current or future tax or governmental charge (or increase in same) affecting Seller's costs of production, sale, or delivery or shipment, or which Seller is otherwise required to pay or collect in connection with the sale, purchase, delivery, storage, processing, use or consumption of Products, shall be for Buyer's account and shall be added to the price.

**3. TERMS OF PAYMENT** Unless otherwise agreed and specified in writing by and between Seller and Buyer, payment terms are net 30 days from the date of Seller's invoice in U.S. currency. Seller shall have the right, among

other remedies, either to terminate this agreement or to suspend further performance under this and/or other agreements with Buyer in the event Buyer fails to make any payment when due, which other agreements Buyer and Seller hereby amend accordingly. If any payment owed to Seller is not paid when due, Buyer shall bear late payment interest at 2% of unpaid per month or the maximum contractual rate permitted by law, whichever is less, from the date on which it is due until it is paid. Buyer shall be liable for all expenses, including reasonable attorneys' fees, relating to the collection of past due amounts. In the event Buyer has overdue invoices, Seller reserves the right to cancel any order without obligation or to delay delivery of Products until such time as delinquent invoices are paid in full with appropriate late payment interest. Notwithstanding anything to the contrary, Seller further reserves the right to deliver shipments on a cash-in-advance basis.

**4. SHIPMENT AND DELIVERY** Unless otherwise specified herein, delivery shall be made Ex Works Seller's plant and within normal lead times applicable to the products ordered. Title and risk of loss shall pass to Buyer at the time and place of shipment from seller's dock. Premium mode of shipment will not be used unless specifically directed in writing by Buyer and then only at Buyer's expense.

**5. LIMITED WARRANTY** Subject to the limitations of Section 6, Seller warrants that the Products manufactured by Seller will be free from defects in material and workmanship under normal use and regular service and maintenance for a period of one year from the date of shipment of the Products by Seller, unless otherwise specified by Seller in writing. Consumables, including, without limitation, glass parts and gasket (o-ring), plastic tubes, elastomers, etc. are warranted to be free from defects in material and workmanship under normal use and service for a period of ninety (90) days from the date of shipment by Seller. Products purchased by Seller from a third party for resale to Buyer ("Resale Products") shall carry only the warranty extended by the original manufacturer. THESE ARE THE SOLE AND EXCLUSIVE WARRANTIES GIVEN BY SELLER

WITH RESPECT TO THE PRODUCTS AND ARE IN LIEU OF AND EXCLUDE ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, ARISING BY OPERATION OF LAW OR OTHERWISE, INCLUDING WITHOUT LIMITATION, MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE WHETHER OR NOT THE PURPOSE OR USE HAS BEEN DISCLOSED TO SELLER IN SPECIFICATIONS, DRAWINGS OR OTHERWISE, AND WHETHER OR NOT SELLER'S PRODUCTS ARE SPECIFICALLY DESIGNED AND/OR MANUFACTURED BY SELLER FOR BUYER'S USE OR PURPOSE.

These warranties do not extend to any losses or damages due to misuse, accident, abuse, neglect, normal wear and tear, negligence (other than Seller's), unauthorized modification or alteration, use beyond rated capacity, unsuitable power sources or environmental conditions, improper installation, repair, handling, maintenance or application or any other cause not the fault of Seller. To the extent that Buyer or its agents has supplied specifications, information, representation of operating conditions or other data to Seller in the selection or design of the Products and the preparation of Seller's quotation, and in the event that actual operating conditions or other conditions differ from those represented by Buyer, any warranties or other provisions contained herein which are affected by such conditions shall be null and void.

If Buyer discovers any warranty defects within the warranty period, Buyer shall, within thirty (30) days after such discovery, notify Seller thereof in writing. Seller shall, at its option and as Buyer's exclusive remedy, repair, correct or replace, or refund the purchase price for, that portion of the Products found by Seller to be defective. Failure by Buyer to give such written notice within the applicable time period shall be deemed an absolute and unconditional waiver of Buyer's claim for such defects. Products repaired or replaced during the warranty period shall be covered by the foregoing warranties for the remainder of the original warranty period or ninety (90) days from the date of shipment, whichever is longer. Buyer assumes all other responsibility for any loss, damage, or injury to persons or property arising out of, connected with, or resulting

from the use of Products, either alone or in combination with other products/components.

This Section 5 applies to any entity or person who may buy, acquire or use the Products, including any entity or person who obtains the Products from Buyer, and shall be bound by the limitations therein, including Section 6 of this agreement. Buyer agrees to provide such subsequent transferee conspicuous, written notice of the provisions of Sections 5 and 6.

**6. LIMITATION OF REMEDY AND LIABILITY**

THE SOLE AND EXCLUSIVE REMEDY FOR BREACH OF ANY WARRANTY HEREUNDER SHALL BE LIMITED TO REPAIR, CORRECTION OR REPLACEMENT, OR REFUND OF THE PURCHASE PRICE UNDER SECTION 5. SELLER SHALL NOT BE LIABLE FOR DAMAGES CAUSED BY DELAY IN PERFORMANCE, AND THE REMEDIES OF BUYER SET FORTH IN THIS AGREEMENT ARE EXCLUSIVE. IN NO EVENT, REGARDLESS OF THE FORM OF THE CLAIM OR CAUSE OF ACTION (WHETHER BASED IN CONTRACT, INFRINGEMENT, NEGLIGENCE, STRICT LIABILITY, OTHER TORT OR OTHERWISE), SHALL SELLER'S LIABILITY TO BUYER AND/OR ITS CUSTOMERS EXCEED THE PRICE PAID BY BUYER FOR THE SPECIFIC PRODUCTS PROVIDED BY SELLER GIVING RISE TO THE CLAIM OR CAUSE OF ACTION. BUYER AGREES THAT IN NO EVENT SHALL SELLER'S LIABILITY TO BUYER AND/OR ITS CUSTOMERS EXTEND TO INCLUDE INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES. The term "consequential damages" shall include, but not be limited to, loss of anticipated profits, business interruption, loss of use, revenue, reputation and data, costs incurred, including without limitation, for capital, fuel, power and loss or damage to property or equipment. It is expressly understood that any technical advice furnished by Seller with respect to the use of the Products is given without charge, and Seller assumes no obligation or liability for the advice given, or results obtained, all such advice being given and accepted at Buyer's risk.

**7. PATENTS AND COPYRIGHTS**

Seller shall indemnify Buyer from any and all damages and costs finally awarded for infringement of any existing patent, trademark or copyright in any suit by reason of the sale of any products sold to Buyer hereunder where Seller is an infringer

with respect to its sale hereunder provided that Seller is promptly notified in writing of any such suit and Buyer offers Seller full and exclusive control of the defense of such suit when products of Seller only are involved therein and the right to participate in the defense of such suit when products other than those of Seller are also involved, and Buyer fully cooperates with Seller in such defense. This indemnity shall not, however, extend to infringement or claims thereof resulting from Seller's compliance with Buyer's designs, processes, formulas, or approvals, use of the products in a manner to have them become infringing or use of the products alone or in combination with other equipment where the use is the subject of the claim. Seller's liability for damages hereunder is limited to those computed solely on the value of any product sold to Buyer hereunder. In no event shall Seller be liable for special, incidental or consequential damages or costs applicable thereto. The above indemnity is in lieu of any other indemnity or warranty, express or implied, with respect to patents, trademarks or copyrights and shall in no event exceed the price paid by Buyer for such products.

**8. TOOLING** Tool, die, and pattern charges, if any, are in addition to the price of the Products and are due and payable upon completion of the tooling. All such tools, dies and patterns shall be and remain the property of Seller. Charges for tools, dies, and patterns do not convey to Buyer, title, ownership interest in, or rights to possession or removal, or prevent their use by Seller for other purchasers, except as otherwise expressly provided by Seller and Buyer in writing with reference to this provision.

**9. INSTALLATION** Buyer shall be responsible for receiving, inspecting, testing, storing, installing, starting up and maintaining all Products.

**10. DOCUMENTATION** Seller shall provide Buyer with that data/documentation which is specifically identified in Seller's quotation. If additional copies of data/documentation are to be provided by Seller, it shall be provided to Buyer at Seller's applicable prices then in effect.

**11. INSPECTION/TESTING** Buyer, at its option and expense, may inspect and observe the testing by Seller of the Products for compliance with Seller's standard test procedures prior to shipment, which inspection and testing shall be conducted at Seller's plant at such reasonable time as is specified by Seller. Any rejection of the Products must be made promptly by Buyer before shipment. Tests shall be deemed to be satisfactorily completed and the test fully met when the Products meet Seller's criteria for such procedures.

**12. DOCUMENTATION** Qualification tests may be performed by Seller and test data supplied at the specific request and expense of Buyer. Documentation, including but not limited to, drawings, data, engineering sketches, specifications, procedures, manufacturing, assembly, and test records, if furnished by Seller to Buyer without additional charge, shall remain Seller's property, shall be kept confidential by Buyer, shall not be reproduced, and shall be returned to Seller upon request unless Seller otherwise specifically agrees in writing.

**13. EXPORT/IMPORT** Buyer agrees that it will not export or re-export directly or indirectly any of the products sold hereunder to any destination or to any person or entity where such export or re-export is prohibited under law or regulation, or export or re-export such products without appropriate license(s) required by applicable law or regulation.

**14. FORCE MAJEURE** Seller shall not be liable for delays in or failure of performance hereunder due to causes beyond its reasonable control, including, but not limited to, acts of God or public enemy, acts of government in either its sovereign or contractual capacity, acts of Buyer, fire, flood, earthquake or other natural disaster, strike or other labor disputes, acts of war, sabotage, insurrection rebellion, or other acts of civil disobedience, failure of subcontractor to supply material, failure to delay in transportation, or equipment breakdown, nor shall Seller be liable for any reasonable delay in production or delivery. In the event of delay due to such causes, the date

of delivery shall be extended for a period equal to the time lost by reason of the delay.

**15. CANCELLATION AND CHANGES** Unless otherwise agreed in writing by Seller, orders under this agreement may not be canceled by Buyer for any reason. Buyer may request changes or additions to the Products consistent with Seller's specifications and criteria. In the event such changes or additions are accepted by Seller, Seller may revise the price and dates of delivery. Seller reserves the right to change designs and specifications for the Products without prior notice to Buyer, except with respect to Products being made-to-order for Buyer. Seller shall have no obligation to install or make such change in any Products manufactured prior to the date of such change.

**16. GOVERNMENT SALES** If the products herein are to be used in fulfilling a contract with the government, Seller will comply with requirements of such contract which are mandatory under the procurement statutes and which are applicable to Seller, provided that Seller has received written notice of such requirements from Buyer in sufficient time to incorporate their impact into the price and delivery schedule for such products. All Technical Data and Intellectual Property Rights shall remain the sole property of Seller. Seller's books and records may only be inspected by a representative of the government.

**17. ASSIGNMENT** Buyer shall not assign its rights or delegate its duties hereunder or any interest herein without the prior written consent of Seller, and any such assignment, without such consent, shall be void.

**18. GENERAL PROVISIONS** These terms and conditions supersede all other communications, negotiations and prior oral or written statements regarding the subject matter of these terms and conditions. No change, modification, rescission, discharge, abandonment, or waiver of these terms and conditions shall be binding upon the Seller unless made in writing and signed on its behalf by a duly authorized representative of Seller. No conditions, usage of trade, course of dealing or performance, understanding or

agreement purporting to modify, vary, explain, or supplement these terms and conditions shall be binding unless hereafter made in writing and signed by the party to be bound, and no modification or additional terms shall be applicable to this agreement by Seller's receipt, acknowledgment, or acceptance of purchase orders, shipping instruction forms, or other documentation containing terms at variance with or in addition to those set forth herein. Any such modifications or additional terms are specifically rejected and deemed a material alteration hereof. If this document shall be deemed an acceptance of a prior offer by Buyer, such acceptance is expressly conditional upon Buyer's assent to any additional or different terms set forth herein.

No waiver by either party with respect to any breach or default or of any right or remedy, and no course of dealing, shall be deemed to constitute a continuing waiver of any other breach or default or of any other right or remedy, unless such waiver be expressed in writing and signed by the party to be bound. All typographical or clerical errors made by Seller in any quotation, acknowledgment or publication are subject to correction.

The validity, performance, and all other matters relating to the interpretation and effect of this agreement shall be governed by the law of Taiwan without regard to conflict of law principles or any other principles that would result in the application of a different body of law. Any disputes, controversies, differences or claims arising out of, relating to or connecting with this Agreement, or the breach, termination or invalidity thereof, shall be finally settled by arbitration referred to the Arbitration Association of the Republic of China in accordance with the Arbitration Law of the Republic of China and the Arbitration Rules of Chinese Arbitration Association, Taipei. The place of arbitration shall be in Taipei. The award rendered by the Arbitrator(s) shall be final and binding upon both parties concerned.

If any provision of this document is in violation of any governmental statute or regulations, or is illegal for any reason, said provision shall be self-deleting without affecting the validity of the remaining provisions.