

Terms and Conditions of Sale

Customer (the "Customer") and USANG Industrial Co., Ltd. ("USANG") agree that the purchase and sales of USANG products (the "Products") are made under these terms and conditions of sale (the "Conditions"), and that USANG shall not be bound by Customer's additional or different terms, unless USANG has accepted such terms in writing. Customer's order and purchase of the Products shall constitute acceptance of the Conditions.

- RISK OF LOSS; RESERVATION OF TITLE** : Title to Products passes from USANG to Customer on shipment from USANG's facility. Loss or damage that occurs during shipping by a carrier selected by USANG is USANG's responsibility. Loss or damage that occurs during shipping by a carrier selected by Customer is Customer's responsibility. USANG retains title in the Products until Customer makes full payment at which time title to the Products shall pass to Customer.
- PRICES AND PAYMENT** : All quotations shall expire thirty (30) days from date of issuance, unless otherwise set forth on the quotation or agreed in writing. Customer shall make payment in full prior to or upon delivery by bank letters of credit acceptable to USANG, bank cashier's check, wire transfer, or money order, unless USANG approves Customer for credit terms. All sums not paid when due shall accrue interest daily at the Customer of a monthly rate of 1.5% or the highest rate permissible by law, to be determined by USANG at USANG's option, on the unpaid balance until paid in full.
- ORDERS** : All purchase orders are subject to written acceptance by USANG. Proforma Invoice will be presented to Customer for confirmation. USANG's receipt of Customer's return signed Proforma Invoice shall constitute its acceptance of an order.
- DELIVERY** : Customer shall pay all freight charges, applicable import duties, and other necessary fees and shall bear the risks of carrying out customs formalities and clearance, except in the cases where USANG has otherwise agreed in writing. Orders are entered as close as possible to the Customer's requested shipment date, if any. Shipment dates are scheduled after acceptance of orders and receipt of necessary documents. Any forecasts provided by Customer are for planning purposes only and do not constitute commitment of shipment dates. Claims for shipment shortage shall be deemed waived unless presented to USANG in writing within sixty (60) days of shipment.
- LIMITED WARRANTY** : USANG Products are warranted against defects in materials and workmanship for one (1) year after the date USANG ships the Products to the Customer. Any repaired Products or replacement will be warranted for the remainder of the original warranty period or thirty (30) days, whichever is longer. Customer must obtain a Return Material Authorization Number (as defined below) from USANG in accordance with the procedure set forth in Condition 6 hereof before returning any Products under warranty. After examining and testing a returned Product, if USANG finally concludes that a returned Product is not defective, Customer will be notified, the expenses for shipment of the Product returned will be at Customer's expense, and a charge to Customer will be made for examination and testing. This Limited Warranty is void if failure of the Products has resulted from accident, abuse, misapplication, improper use by Customer or its customers, Customer supplied components or hardware parts not intended for use with the applicable USANG Product, or unauthorized maintenance or repair.
- RETURN POLICY** :
Non-defective returns - USANG will not accept any Product return that is non-defective.
Defective returns - Once the Customer claims for any defect, Customer must provide detail evidences to support the defective claim. The Product must be temporarily diagnosed "defective" by USANG from the provided detail evidences. Once diagnosis, which is made purely based on the evidences provided by Customers, has been made, and the Product is temporarily declared defective by USANG, USANG shall assign a return material authorization number (the "Return Material Authorization Number") to the Customer for return of the temporarily-diagnosed defective Product. Defective returns will be accepted for replacement, repair or refund, at USANG's sole discretion after USANG has examined and tested a returned Product and finally concluded the Product to be defective.
- CANCELLATION/CHANGE POLICY** : In order to cancel orders accepted by USANG, Customer must obtain advance agreement in writing from USANG. Customer shall be responsible for all related work in progress; however, USANG shall take responsible steps to mitigate damages immediately upon cancellation agreement. USANG may terminate any order if any representations made by Customer to USANG are deemed to be false or misleading. Changes to orders shall not be binding upon nor be put into effect by USANG unless confirmed in writing by USANG's authorized representative.
- CUSTOMER REMEDIES** : USANG's sole obligation (and Customer's sole remedy) with respect to the foregoing Limited Warranty shall be to, at USANG's option, return the fees paid or repair/replace any defective Products, provided that USANG receives written notice of such defects during the applicable warranty period. Customer may not bring an action to enforce its remedies under the foregoing Limited Warranty more than one (1) year after the accrual of such cause of action.
- NO OTHER WARRANTIES**. EXCEPT AS EXPRESSLY SET FORTH ABOVE, THE PRODUCTS ARE PROVIDED "AS IS" WITHOUT WARRANTY OF ANY KIND, AND NO OTHER WARRANTIES, EITHER EXPRESSED OR IMPLIED ARE MADE WITH RESPECT TO THE PRODUCTS. USANG DOES NOT WARRANT, GUARANTEE, OR MAKE ANY REPRESENTATIONS REGARDING THE USE OF OR THE RESULTS OF THE USE OF THE PRODUCTS IN TERMS OF CORRECTNESS, ACCURACY, RELIABILITY, OR OTHERWISE AND DOES NOT WARRANT THAT THE OPERATION OF THE PRODUCTS WILL BE ERROR FREE.
- LIMITATION OF LIABILITY**: The entire liability of USANG and its licensors, distributors, and suppliers (including its and their directors, officers, employees, and agents) is set forth above. To the maximum extent permitted by applicable law, in no event shall USANG and its licensors, distributors, and suppliers (including its and their directors, officers, employees, and agents) be liable for any damages, including, but not limited to, any special, direct, indirect, incidental, or consequential damages, expenses, economic loss, lost profits, lost savings, business interruption, lost business information, or any other damages arising out of the use or inability to use the Products. Customer acknowledges that the applicable purchase price for the Products reflects this allocation of risk.
- FORCE MAJEURE** : USANG shall be excused for any delay or failure to perform due to any cause beyond its reasonable control, including but not limited to acts of governments, interruptions of transportation or inability to obtain necessary labor or materials. USANG's estimated shipping schedule shall be extended by a period of time equal to the time lost because of any excusable delay. In the event USANG is unable to perform in whole or in part because of any excusable failure to perform, USANG may cancel all or part of the uncompleted portion of the order without any liability to Customer.
- INDEMNITY AGAINST INFRINGEMENT OF PATENTS AND RIGHTS** : The Customer shall promptly indemnify USANG against any and all damages, penalties, costs and expenses to which USANG may be liable as a result of or in connection with work done or Products supplied in accordance with the Customer's specification which involves or relates to infringement of any registered design, patents, intellectual property rights, trade secret, proprietary process or otherwise.
- ACKNOWLEDGEMENT/GOVERNING LAW/JURISDICTION** : Customer acknowledges reading the Conditions, understands them and agrees to be bound by them. A waiver of any provision of the Conditions shall not be construed as a waiver or modification of any other term hereof. The Conditions shall be construed and interpreted in accordance with the laws of the Republic of China without regard to principles of conflicts of laws. With respect to all orders accepted by USANG, disputes arising out of or in connection with the Conditions shall be under the non-exclusive jurisdiction of the Taipei District Court.
- LANGUAGE** The Conditions are in English, and shall govern and prevail over any translations hereof.

USANG Industrial Co., Ltd.

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(Electronic copy of USANG Terms and Conditions of Sale is available at <http://www.usang.com.tw/tcs.pdf>)