

PSTI: TERMS AND CONDITIONS

General

The attached quotation is made based on Parallel Synthesis Technologies, Inc.'s (PSTI) requirements, constitutes the entire agreement with the customer and is governed by the substantive law of the State of California. The terms and conditions contained in this document *shall become part of any contract for services or equipment with PSTI*. These Terms and Conditions apply only to our standard parts listed on our website and custom design work or parts may require a separate Terms and Conditions.

Payment Terms

All prices are in US dollars. (a) All new domestic customers are required to pay 50% of the amount shown on the Purchase Order as pre-payment in advance of shipment and payment terms are Net 30 days from the date of the invoice for all repeat orders thereafter, (b) all new overseas customers are required to pay 100% of the first order prior to shipment and payment terms are Net 30 days from the date of the invoice for all repeat orders thereafter, (c) for custom part design orders all customers are required to pay 50% of the amount shown on the Purchase Order as pre-payment. Any agreed upon exceptions to the Payment Terms must be noted on the purchase order and must be acknowledged and approved by PSTI. Any delays in payment of funds may cause delays in quoted lead-times for delivery of product.

Lead Times

The shipment date of PSTI standard products generally varies between 1 to 3 weeks after receipt of Purchase Order. Any exceptions to this will be noted in the body of the quotation.

Shipping Terms

All shipments are Ex-works., PSTI's facility in Santa Clara, California. All freight, packaging and crating costs are charged to customer's account. PSTI will advise customer of estimated charges if in excess of US\$ 250.

Ownership and Title

Title to all products and risk of loss shall pass to Buyer upon delivery of the Products to the carrier by Seller. Buyer shall be responsible for transportation and insurance charges to Buyer's location. Buyer will not transfer any Products to any another party and will not resell them.

Cancellation

In the event of cancellation of any part of this Purchase Order, the customer will pay all reasonable costs incurred by PSTI due to halting or stopping the work in process for both the PSTI and its vendors, administrative costs associated with the work stoppage, materials, labor, direct overhead, SG&A, continuing lease costs, and reasonable termination costs for personnel, etc.

Documentation

PSTI will provide documentation adequate to support the equipment at the customer facility. Included in all shipments is a User Manual which contains handling and maintenance information. Accessory lists required for handling and maintenance are also provided. Any suggestions made about designs or uses of PSTI products do not give the customer a license under any patent covering such designs or uses, nor are they a recommendation for use of such products, or designs which may infringe any patent.

Service/Training/Installation

It is understood that PSTI is not, except by prior written agreement, required to provide service personnel to install, demonstrate, or repair PSTI's products at the customers' plant or laboratory. If personnel are requested by customer after acceptance of the products, such service shall be paid by customer at the published service rate in effect per person per normal work or travel hour (at time of writing US\$150 per hour) or any portion thereof, *plus* transportation/travel/living expenses. Overtime, Saturday, Sunday or holiday work shall be charged at the overtime hourly rate in effect per person per work or travel hour or any portion thereof. Customer is responsible for the design, processing, testing etc., of any products made using products or materials purchased from PSTI.

Limited Warranty

PSTI warrants that its micromachined printing tools meet the performance standards described in the product specifications. Any tools failing to meet these specifications can be returned to PSTI for replacement or a refund of the purchase price. The customer will inspect all products it receives for damage, defect or shortage promptly after receipt. Any claim that the products do not meet the specifications must be made within 30 days of the date of delivery of the product. PSTI's policy is to replace the defective product or credit its purchase price, and is subject to receipt of reasonable proof from the customer that any defect is embraced within the terms of the warranty. Before returning parts for repair, customer must contact PSTI for a Return Authorization Number (RAN). Shipping costs for repair or service (warranty or non-warranty) are to be paid by the customer. No other warranties of any kind, expressed or implied, are provided by PSTI. PSTI's liability shall not exceed the purchase price of the product. PSTI does not guarantee the suitability of the product for the customer's application. PSTI shall have no liability for direct, indirect, consequential or incidental damages arising from the use, results of use, or inability to use its products. All claims must be accompanied by the damaged parts.

This warranty shall not apply to custom designed parts/tools, equipment subjected to misuse, improper installation, abuse, improper packaging upon shipment by customer, negligence, accident, failure to perform normal and/or routine maintenance, and improper repair, handling or alteration.

This limited warranty is given only to the original purchaser and does not extend to any subsequent purchaser or transferee of PSTI products. The original purchaser is not entitled to extend or transfer this warranty to any other party. This warranty is in lieu of all other warranties, written or oral, statutory, expressed or implied, including any warranty of merchantability or fitness for a particular purpose.

Limits of Liability

The customer agrees to hold PSTI, free and harmless from the claims of third parties regarding injuries or other losses to persons or property resulting from or in connection with the use of the products or designs furnished by PSTI or its subcontractors. The customer agrees to hold PSTI free and harmless from the claims of third parties for claims of infringement of any proprietary right of another. The customer also agrees to pay PSTI's costs of defending against such claims including the cost of expert witness and counsel. PSTI is not liable for consequential, special, incidental or exemplary damages, including, but not limited to, loss of profits, cost of any substitutes for the product purchased, claims of third parties or injury to person or property.

Export Control Compliance

Customer will ensure that products, technology or software received from PSTI are exported only in compliance with applicable law, including U.S. export control laws.

Medical Application

PSTI products and materials are not intended for use in any medical applications in or on the human body.

Events Beyond PSTI's Control

PSTI will not be responsible for non-performance under this agreement for events beyond its control which make it impossible or commercially unreasonable for it to perform, including, so-called "Acts of God" or "force majeure" events and raw materials shortages and processing equipment failure.