



1. Acceptance of Purchase Order.

Agreement to furnish the materials or services hereby ordered, or its commencement of such performance, or acceptance of any payment, shall constitute acceptance by Seller of this Purchase Order subject to these terms and conditions. In the event that this Purchase Order does not state price or delivery, Nikkiso Cryo, Inc. (or other Nikkiso entity) ("Buyer") will not be bound to any prices or delivery to which it has not specifically agreed in writing. Any terms or conditions proposed by Seller inconsistent with or in addition to the terms and conditions of purchase herein contained shall be void and of no effect unless specifically agreed to by Buyer in writing. Modifications hereof or additions hereto, to be effective, must be made in writing and be signed by Buyer's purchasing representative. These terms and conditions, together with any referenced exhibits, attachments, or other documents, constitute the entire agreement between the parties with respect to the subject matter of this Purchase Order; and supersede any prior or contemporaneous written or oral agreements pertaining thereto.

2. Shipping Instructions.

(a) Seller shall be responsible for ensuring the proper packaging of materials hereunder. No charges will be allowed for packing, crating, freight, local cartage, and/or any other services unless so specified in this Purchase Order.

(b) Seller shall at all times comply with Buyer's written shipping instructions. Unless otherwise directed, all items shipped on the same day from and to a single location must be consolidated on one bill of lading or airbill, as appropriate. Seller shall submit all required shipping papers to Buyer prior to final payment. For material purchased F.O.B. origin, the Seller shall not insure and not declare a value except when transportation rates are based on "released value," in which instance the Seller shall annotate on the bill of lading the lowest released value provided in applicable tariffs.

(c) Purchase Order number(s) must appear on all correspondence, shipping labels, and shipping documents, including all packing sheets, bills of lading, airbills, and invoices.

(d) For shipments that do not involve export Seller shall deliver Products to Buyer, F.O.B. Destination, Freight Collect, unless otherwise specifically provided on the front of the Purchase Order. Title and risk of loss shall not pass to Buyer until delivery of the goods to the location designated on the face of this Order and acceptance by Buyer. If Buyer rightfully rejects the goods, receives a non-conforming tender, or revokes its acceptance, risk of loss and title shall be deemed to have remained with Seller. The responsibility for freight damaged merchandise will be assumed by Seller. No charges for unauthorized transportation will be allowed. Any unauthorized shipment, or method of transportation other than what is stipulated in the Purchase Order, which will result in excess transportation charges, must be fully paid by the Seller.

(e) For export shipments, Seller shall deliver Products to Buyer DAP Long Beach or named port (in accordance with Incoterms 2020), unless otherwise specified on the face of the Order. Seller shall give written notice of shipment to Buyer when the Goods are delivered to a carrier for transportation. Seller shall provide Buyer all shipping documents, including the commercial invoice, packing list, air waybill/bill of lading and any other documents necessary to release the Goods to Buyer within five business days after Seller delivers the Goods to the transportation carrier. The Order number must appear on all shipping documents, shipping labels, bills of lading, air waybills, invoices, correspondence, and any other documents pertaining to the Order. All Goods shall be suitably classified to assure lowest transportation rates consistent with full protection against loss and damage in transit and to meet the carrier's requirements. No charges for unauthorized transportation will be allowed. Any unauthorized shipment, or method of transportation other than what is stipulated in the Purchase Order, which will result in excess transportation charges, must be fully paid by the Seller.



3. Delivery; Notice of Delay.

(a) Time is of the essence and failure to deliver in accordance with the delivery schedule under this Purchase Order, if unexcused, shall be considered a material breach of this Purchase Order. No acts of Buyer, including without limitation modifications of this Purchase Order or acceptance of late deliveries, shall constitute waiver of this provision. Buyer also reserves the right to refuse or return at Seller's risk and expense shipments made in excess of Buyer's orders or in advance of required schedules, or to defer payment on advance deliveries until scheduled delivery dates.

(b) Seller shall notify Buyer in writing immediately of any actual or potential delay to the performance of this Purchase Order. Such notice shall include a proposed revised schedule but such notice and proposal or Buyer's receipt or acceptance thereof shall not constitute a waiver to Buyer's rights and remedies hereunder.

4. Termination for Convenience.

(a) Buyer may, by reasonable notice in writing, terminate this Purchase Order or work under this Purchase Order for convenience and without cause, in whole or in part, at any time, and such termination shall not constitute default. In the event of partial termination, Seller is not excused from performance of the nonterminated balance of work under the Purchase Order.

(b) In the event of termination for convenience by Buyer, Seller shall be reimbursed for actual, reasonable, substantiated, and allowable costs, plus a reasonable profit for work performed to date of termination. Buyer may take immediate possession of all work so performed upon written notice of termination to Seller.

(c) Seller's obligations, including but not limited to obligations under the warranty, proprietary rights, infringement, and indemnity against claims provisions of this Purchase Order, shall survive such termination.

5. Termination for Default.

(a) Buyer may, by reasonable notice in writing, terminate this Purchase Order in whole or in part at any time for breach of any one or more of its terms, for failure to make progress so as to endanger performance of this Purchase Order, or upon written demand, failure to provide adequate assurance of future performance. In the event of partial termination, Seller is not excused from performance of the nonterminated balance of work under the Purchase Order.

(b) In the event of Seller's default hereunder, the Buyer may exercise any or all rights accruing to it, both at law, including without limitation, those set forth in Article 2 of the Uniform Commercial Code, or in equity.

(c) Seller's obligations, including but not limited to obligations under the warranty, proprietary rights, infringement, and indemnity against claims provisions of this Purchase Order, shall survive such termination.



6. Force Majeure.

Except for defaults of Seller's subcontractors at any tier, neither Buyer nor Seller shall be liable for any failure to perform due to any cause beyond their reasonable control and without their fault or negligence. Such causes include, but are not limited to, acts of God or of the public enemy, acts of the Government in either its sovereign or contractual capacity, fires, floods, epidemics, terrorism, quarantine restrictions, strikes, freight embargoes, and unusually severe weather. In the event that performance of this Purchase Order is hindered, delayed or adversely affected by causes of the type described above ("Force Majeure"), then the party whose performance is so affected shall so notify the other party's authorized representative in writing and, at Buyer's option, this Purchase Order shall be completed with such adjustments as are reasonably required by the existence of Force Majeure or this Purchase Order may be terminated for convenience.

Strikes, labor or employment disputes or difficulties or other concerted acts of workmen, whether direct or indirect among Seller's personnel, or those of any of its subcontractors, shall not constitute Force Majeure on the part of Seller unless Seller can demonstrate to Buyer's satisfaction that the relevant strike, labor dispute or difficulty or other concerted act of workmen is not limited to the workforce of Seller or of the relevant subcontractor as the case may be and does not arise out of an act or omission to act of Seller or such subcontractor.

7. Disputes.

(a) Any controversy or claim that may arise out of or in connection with this Purchase Order that after good faith negotiations cannot be resolved to both Parties mutual satisfaction may be resolved by submitting the claim to a court of competent jurisdiction.

(b) Pending resolution or settlement of any dispute arising under this Purchase Order, Seller will proceed diligently as directed by Buyer with the performance of this Purchase Order. Irrespective of the place of performance, this Purchase Order will be construed and interpreted according to the laws of the State of Nevada, without resort to said State's Conflicts of Law Rules. The United Nations Convention on Contracts for the International Sales of Goods shall not apply to this Purchase Order.

8. Remedies.

Except as otherwise provided herein, the rights and remedies of both parties hereunder shall be in addition to their rights and remedies at law or in equity. Failure of either party to enforce any of its rights shall not constitute a waiver of such rights or of any other rights and shall not be construed as a waiver or relinquishment of any such provisions, rights, or remedies; rather, the same shall remain in full force and effect.

9. Proprietary Rights.

(a) Unless otherwise expressly agreed in writing to the contrary, all specifications, information, data, drawings, software and other items supplied to Buyer by Seller shall be disclosed to Buyer on a nonproprietary basis and may be used and/or disclosed by Buyer without restriction, unless: (i) otherwise required by the U.S. Government Regulations referred to below; or (ii) the Buyer has executed a separate agreement restricting the use and disclosure of such information, data, software and the like.

(b) Unless otherwise expressly agreed in writing to the contrary and subject to Section 9 (d) below, all specifications, information, data, drawings, software, and other items which are: (i) supplied to Seller by Buyer; or

(ii) obtained or developed by Seller in the performance of this Purchase Order or paid for by Buyer shall be proprietary to Buyer, shall be used only for purposes of providing goods or services to Buyer pursuant to this Purchase Order, and shall not be disclosed to any third party without Buyer's express written consent. All such items supplied by Buyer or obtained by Seller in performance of this Purchase Order or paid for by Buyer shall be promptly provided to Buyer on request or upon completion of this Purchase Order.



(c) Unless otherwise expressly agreed in writing to the contrary and subject to Section 9 (d) below, any invention or intellectual property first made or conceived by Seller in the performance of this Purchase Order or which is derived from or based on the use of information supplied by Buyer shall be considered to be the property of Buyer; and Seller shall execute such documents necessary to perfect Buyer's title thereto. Unless otherwise expressly agreed in writing to the contrary and subject to Section 9(d) below, any work performed pursuant to this Purchase Order which includes any copyright interest shall be considered a "work made for hire".

(d) Applicable Government Procurement Regulations incorporated into this Purchase Order shall, when applicable, take precedence over any conflicting provision of this Section 9 to the extent that such Regulations so require. The incorporation by reference of such U.S. Government Regulations dealing with subcontractor's rights in Technical Data, subject inventions, copyrights, software and similar intellectual property are not intended to, and shall not, unless otherwise required by applicable law, obviate or modify any greater rights which Seller may have previously granted to Buyer pursuant to prior agreements between the parties.

10. Buyer's Property.

(a) All drawings, specifications, tools, jigs, dies, fixtures, materials, and other items supplied or paid for by Buyer shall be and remain the property of Buyer; and Buyer shall have the right to enter Seller's premises upon reasonable notice and remove any such property at any time without being liable for trespass or damages of any sort.

(b) All such items shall be used only in the performance of work under this Purchase Order unless Buyer consents otherwise in writing.

(c) Material made in accordance with Buyer's specifications and drawings shall not be furnished or quoted by Seller to any other person or concern without Buyer's prior written consent.

(d) Seller shall have the obligation to maintain any and all property furnished by Buyer to Seller and shall be responsible for all loss or damage to said property except for normal wear and tear.

11. Release of Information.

Seller shall not publish, distribute, or use any information developed under or about the existence of this Purchase Order, or use the Buyer name (or the name of any division, affiliate or subsidiary thereof), logo, trademark, service mark, or trade dress for the purpose of advertising, making a news release, creating a business reference, creating a website content or for products or service endorsement without prior written approval of Buyer.

12. Order of Precedence.

(a) In the event of any inconsistency or conflict between or among the provisions of this Purchase Order, such inconsistency or conflict shall, subject to Section 9(d) above, be resolved by the following descending order of preference:

1. order-specific provisions which are typed or handwritten on the Purchase Order as additions to the pre-printed terms;
2. documents incorporated by reference on the face page(s) of this Purchase Order;
3. these General Terms and Conditions of Purchase and Supplements thereto.
4. statement of Work; and
5. specifications attached hereto or incorporated by reference.



Buyer's specifications shall prevail over those of the United States Government, and both of the foregoing shall prevail over specifications of Seller.

(b) In the event of conflict between specifications, drawings, samples, designated type, part number, or catalog description, the specifications shall govern over drawings, drawings over samples, whether or not approved by Buyer, and samples over designated type, part number, or catalog description. In cases of ambiguity in the specifications, drawings, or other requirements of this Purchase Order, Seller must, before proceeding, consult Buyer, whose written interpretation shall be final.

13. Warranty.

(a) Seller warrants the materials delivered pursuant to this Purchase Order shall be new, free from defects in workmanship, materials, and design and to be in accordance with all the requirements of this Purchase Order. Seller further warrants that the performance of work and services pursuant to the requirements of this Purchase Order shall conform to high professional standards. These warranties shall survive final acceptance and payment.

(b) This warranty entitlement shall inure to the benefit of both Buyer and Buyer's customers. As used in this Purchase Order, Buyer's customer(s) shall include its direct and indirect customers such as direct sale end-users, higher tier subcontractors, prime contractors, and the ultimate user under relevant prime contract(s).

(c) Seller shall be liable for and save Buyer harmless from any loss, damage, or expense whatsoever that Buyer may suffer from breach of any of these warranties. Remedies shall be at Buyer's election, including repair, replacement, or reimbursement of the purchase price of nonconforming materials and, in the case of services either correction of the defective services at no cost or reimbursement of the amounts paid for such services.

14. Inspection.

(a) All material and workmanship shall be subject to inspection and test at all reasonable times and places by Buyer or Buyer's customer before, during and after performance and delivery. Buyer's payment to Seller for goods and/or services will not be deemed a waiver of Buyer's right of inspection and rejection. Payment shall not be due until Buyer has had a reasonable opportunity to inspect the goods. The Buyer may require Seller to repair, replace or reimburse the purchase price of rejected material or Buyer may accept any materials and upon discovery of nonconformance, may reject or keep and rework any such materials not so conforming. Cost of repair, rework, replacement, inspection, transportation, repackaging, and/or re-inspection by Buyer shall be at Seller's expense.

(b) If inspection and test are made on the premises of Seller or Seller's lower tier subcontractors, Seller shall furnish without additional charge all reasonable facilities, information, and assistance necessary for the safe and convenient inspection and tests required by the inspectors in the performance of their duty. The foregoing provisions of this Article are supplementary to and not in lieu of the provisions of Section 14(a) above.

(c) Buyer's failure to inspect does not relieve Seller of any responsibility to perform according to the terms of the Purchase Order.



15. Changes.

(a) Buyer shall have the right by written order to suspend work or to make changes from time to time in the services to be rendered or the materials to be furnished by Seller hereunder or the delivery date. If such suspension or changes cause an increase or decrease in the cost of performance of this Purchase Order or in the time required for its performance, an equitable adjustment shall be negotiated promptly, and the Purchase Order shall be modified in writing accordingly. Any claim by Seller for adjustment under this Section 15(a) must be asserted in writing within twenty (20) days from the date of receipt by Seller of notification of the change or suspension and shall be followed as soon as practicable with specification of the amount claimed and supporting cost figures. However, nothing herein shall excuse the Seller from proceeding with this Purchase Order as changed pending resolution of the claim.

(b) Information, advice, specifications, approvals or instructions given by Buyer's technical personnel or other representatives shall be deemed expressions of personal opinion only and shall not affect Buyer's and Seller's rights and obligations hereunder unless set forth in a writing which is signed by Buyer's purchasing representative, and which states it constitutes an amendment or change to this Purchase Order.

16. Infringement.

Seller warrants that all work, materials, services, equipment, parts, and other items provided by Seller pursuant to this Purchase Order, which are not of Buyer's design, shall be free from claims of infringement (including misappropriation) of third-party intellectual property rights and that any use or sale of such items by Buyer or any of Buyer's customers shall be free from any claims of infringement. Seller shall indemnify and hold Buyer, and its customers, harmless from any and all expenses, liability, and loss of any kind (including all costs and expenses including attorneys' fees) arising out of claims, suits, or actions alleging such infringement, which claims, suits, or actions Seller, hereby, agrees to defend, at Seller's expense, if requested to do so by Buyer. Seller may replace or modify infringing items with comparable goods acceptable to Buyer of substantially the same form, fit, and function so as to remove the source of infringement, and Seller's obligations under this Purchase Order including those contained in Section 13 and in this Section 16 shall apply to the replacement and modified items. If the use or sale of any of the above items is enjoined as a result of such claim, suit or action, Seller, at no expense to Buyer, shall obtain for Buyer and its customers the right to use and sell said item.

17. Taxes.

Unless this Purchase Order specifies otherwise, the price of this Purchase Order includes, and Seller is liable for and shall pay, all taxes, impositions, charges, and exactions imposed on or measured by this Purchase Order except for applicable sales and use taxes that are separately stated on Seller's invoice. Prices shall not include any taxes, impositions, charges, or exactions for which Buyer has furnished a valid exemption certificate or other evidence of exemption. To the extent that Buyer is required to do so under applicable United States law or tax regulations, Buyer may deduct from any payments due to Seller pursuant to this Purchase Order such taxes as Buyer is required to withhold from such payments and pay such taxes to the relevant tax authorities; provided, however, that Buyer provides Seller with relevant tax receipts or other suitable documentation evidencing the payment of such taxes promptly after such taxes are paid.

18. Assignments.

(a) Seller may not assign any rights or delegate any of its obligations due or to become due under this Purchase Order without the prior written consent of Buyer. Any purported assignment or delegation by Seller without such consent shall be void. Buyer may assign this Purchase Order to: (i) any affiliated company; (ii) any successor in interest; or (iii) Buyer's customer. Buyer shall have the right at any time to set off any amount owing from Seller to Buyer or Buyer's subsidiaries and/or affiliates against any amount due and owing to Seller or any of its subsidiaries and/or affiliates pursuant to this Purchase Order or any other contractual agreement between Buyer and Seller or their respective subsidiaries and/or affiliates.



(b) Should Buyer acquiesce in writing to Seller's request to assign or delegate any of its obligations or duties under this Purchase Order, the subcontracting party shall not have any right(s) to assign or delegate any of its obligations or duties under this Purchase Order that were assigned/delegated to it without the prior written consent of Buyer. In the event of an assignment or delegation by Seller that is approved by Buyer, Seller shall remain liable for any and all of its obligations or duties under this Purchase Order.

(c) Seller shall promptly notify the Buyer in writing in advance of any organizational changes planned by Seller, including name or ownership changes, mergers, or acquisitions.

19. Compliance with Law.

(a) Seller warrants that the materials to be furnished and the services to be rendered under this Purchase Order shall be manufactured, sold, used, and rendered in compliance with all relevant federal, state, local law, orders, rules, ordinances, and regulations and in compliance with applicable international prohibitions on child labor. Seller certifies that with respect to the production of the articles and/or the performance of the services covered by this Purchase Order, it has fully complied with Sections 6, 7, 12, and 15 of the Fair Labor Standards Act of 1938, as amended, and of regulations and orders of the United States Department of Labor under Section 14 thereof, if applicable.

(b) Seller warrants that all equipment and materials delivered under this Purchase Order are in conformance with the latest OSHA requirements.

(c) The Seller warrants that in the performance of this Purchase Order, it will comply with all applicable U. S. Department of Transportation regulations on hazardous materials and any other pertinent federal, state, or local statutes, laws, rules, or regulations; and Seller further agrees to save Buyer harmless from any loss, damage, fine, penalty, or expense whatsoever that Buyer may suffer as a result of Seller's failure to comply with this warranty. The foregoing is in addition to and not in mitigation of any other requirements of this Purchase Order.

(d) Seller warrants that it has complied with the Anti-Kickback Act of 1986 and has not offered or given and will not offer or give to any employee, agent, or representative of Buyer any gratuity or any kickback within the meaning of the Anti-Kickback Act of 1986. Any breach of this warranty shall be a material breach of each and every contract between Buyer and Seller.

(e) For orders placed in support of and charged to a U.S. Government Prime Contract or subcontract thereunder procuring an item meeting the Federal Acquisition Regulation (FAR) definition of a commercial item, the following clauses set forth in the FAR or the Defense Federal Acquisition Regulation Supplement (DFARS) in effect as of the date of said prime contract are incorporated herein by reference. In all clauses listed herein the terms "Government" and "Contractor" shall be revised to identify properly the contracting parties under this Purchase Order. The Seller shall include the terms of this Article, including this Section 19(e) in all purchase orders or subcontracts awarded under this Purchase Order.



- Utilization of Small Business Concerns
- Equal Opportunity
- Equal Opportunity for Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans
- Affirmative Action for Workers with Disabilities
- Subcontracts for Commercial Items
- Preference for Privately Owned U.S.-Flag Commercial Vessels
- Preference for Domestic Specialty Metals—Alternate 1 (DoD Contracts)
- Subcontracts for Commercial Items and Commercial Components (DoD Contracts)
- Transportation of Supplies by Sea (DoD Contracts)
- Notification of Transportation of Supplies by Sea (DoD Contracts)

20. Responsibility and Insurance.

Seller shall be responsible for the actions and failure to act of all parties retained by, though, or under Seller in connection with the performance of this Purchase Order. Seller shall also maintain and cause its subcontractors to maintain such General Liability, Property Damage, Employer's Liability, and Workers' Compensation Insurance, Professional Errors and Omissions Insurance, and Motor Vehicle Liability (Personal Injury and Property Damage) Insurance as are specified in this Purchase Order or, if none are specified, such amount as will protect Seller (and its subcontractors) and Buyer from said risks and from any claims under any applicable Workers' Compensation, Occupational Disease, and Occupational Safety and Health statutes. Seller shall provide Buyer with certificates evidencing required insurance upon Buyer's request. Buyer reserves the right to require Buyer to add Seller as additional insured on Seller's policies to the extent of Seller's indemnification obligations as stated herein.

21. Indemnity Against Claims.

(a) Seller shall keep its work and all items supplied by it hereunder free and clear of all liens and encumbrances, including mechanic's liens, in any way arising from performance of this Purchase Order by Seller or by any of its vendors or subcontractors. At Buyer's discretion, Seller may be required by Buyer to provide a satisfactory release of liens as a condition of final payment.

(b) Seller shall, without limitation, indemnify and save Buyer and its customer(s) and their respective officers, directors, employees and agents harmless from and against: (i) all claims (including claims under Workers' Compensation or Occupational Disease laws) and resulting costs, expenses and liability which arise from personal injury, death, or property loss or damage attributed to, or caused by, the goods, services or other items supplied by Seller pursuant to this Purchase Order except to the extent that such injury, death, loss or damage is caused solely and directly by the negligence of Buyer; (ii) all claims (including resulting costs, expenses and liability) by the employees of Seller or any of its subcontractors; and (iii) all claims or liens filed and/or made in connection with the Purchased Goods, including all expenses and attorneys' fees incurred in discharging any claims, liens and similar encumbrances.

22. International Transactions.

(a) Payment will be in United States dollars unless otherwise agreed to by specific reference in the Purchase Order.

(b) Seller agrees that the Buyer, its subsidiaries, affiliates, or its designees may exclusively use the value of the Purchase Order to satisfy any international offset obligations with Seller's country, subject to the offset qualifying laws, rules and regulations of that country.



23. Export/Import Controls.

(a) If Seller is a U.S. company that engages in the business of either manufacturing or exporting defense articles or furnishing defense services, the Seller hereby certifies that it has registered with the U.S. Department of State Directorate of Defense Trade Controls and understands its obligations to comply with International Traffic in Arms Regulations ("ITAR") and the Export Administration Regulations ("EAR").

(b) Seller shall control the disclosure of and access to technical data, information and other items received under this Purchase Order in accordance with U.S. export control laws and regulations, including but not limited to the ITAR. Seller agrees that no technical data, information or other items provided by the Buyer in connection with this Purchase Order shall be provided to any foreign persons or to a foreign entity, including without limitation, a foreign subsidiary of Seller, without the express written authorization of the Buyer and the Seller's obtaining of the appropriate export license, technical assistance agreement or other requisite documentation for ITAR-controlled technical data or items. Seller shall indemnify Buyer for all liabilities, penalties, losses, damages, costs, or expenses that may be imposed on or incurred by Buyer in connection with any violations of such laws and regulations by Seller.

(c) Seller shall immediately notify Buyer if it is or becomes listed on any Excluded or Denied Party List of an agency of the U.S. Government or its export privileges are denied, suspended, or revoked.

24. Severability.

If any provision of this Purchase Order or application thereof is found invalid, illegal, or unenforceable by law, the remainder of this Purchase Order will remain valid, enforceable and in full force and effect, and the parties will negotiate in good faith to substitute a provision of like economic intent and effect.

25. Audit.

Seller shall keep complete and accurate accounts and records of all transactions relating to this Purchase Order in accordance with generally accepted accounting principles and shall maintain the accounts and records for a period of at least three (3) years after receipt of the final payment made to Seller by Buyer under the terms of this Purchase Order.

All invoices issued by Seller to Buyer shall accurately reflect the nature and extent of the matters to which they pertain. The Buyer shall, through its own and/or any authorized third-party representatives, have the right to inspect the accounts and records at all reasonable times during the performance of this Purchase Order for the purpose of verifying the correctness of amounts invoiced by Seller.

Wherever Seller is entitled to the reimbursement of direct cost under the Purchase Order, such costs shall be justified, substantiated and the subject of audit. If any audit reveals errors in amounts invoiced and/or paid, Buyer will notify Seller and shall either: (1) be entitled to recover from Seller any amount paid in excess of that due under the Purchase Order; or (2) pay Seller the amount of any under-payment that may be revealed.

26. Title.

Seller warrants good title to all the goods furnished by it hereunder. Title to all of the goods shall pass to Buyer at the date payment for all or such portion of the goods is made. Said transfer of title shall in no way affect Buyer's rights to refuse the goods in case of non-conformity with the requirements for the goods as set forth in other provisions of the Purchase Order.



Title to all goods and materials for which payment has been made, whether or not the same has been incorporated in the goods, and title to all completed goods whether paid for or not, shall vest in Buyer, and in any case shall not be part of Seller's property or estate in the event Seller is adjudged insolvent or makes a general assignment for the benefit of creditors, or if a receiver is appointed on account of Seller's insolvency, or if the Purchase Order is terminated. Notwithstanding the foregoing, Seller shall be responsible for and shall bear any and all risk for loss or damage to the goods until delivery thereof in accordance with the delivery provisions of the Purchase Order. Upon such delivery, Seller shall cease to bear the risk of loss or damage; provided however, that any loss or damage, whenever occurring, which results from Seller's nonconforming packaging or crating shall be borne by Seller.

Any of the goods furnished hereunder for which title has passed to Buyer but which remains in the care and custody of Seller, or its subcontractors and any Buyer provided items, shall be clearly identified as being the property of Buyer and shall be segregated from Seller's property. In addition, title to materials or partially completed goods whose full costs are included in any cancellation charges shall pass to Buyer. Buyer shall advise Seller, in writing, of the disposition of such goods.

27. Right To Offset.

Buyer, without waiver or limitation of any rights or remedies of Buyer, shall be entitled from time to time to deduct from any amounts due or owing by Buyer to Seller in connection with this Purchase Order any and all amounts owed by Seller to Buyer.

28. Attorney's Fees. In the event that any suit or action is instituted under or in relation to this Agreement, including without limitation to enforce any provision in this Agreement, the prevailing party in such dispute shall be entitled to recover from the losing party all fees, costs and expenses of enforcing any right of such prevailing party under or with respect to this Agreement, including without limitation, such reasonable fees and expenses of attorneys and accountants, which shall include, without limitation, all fees, costs and expenses of appeals.

29. Governing Law. All matters arising out of or relating to this Agreement shall be governed by and construed in accordance with the internal laws of the State of Nevada without giving effect to any choice or conflict of law provision or rule whether of the State of Nevada or any other jurisdiction that would cause the application of the laws of any jurisdiction other than those of the State of Nevada.

30. Submission to Jurisdiction. Any legal suit, action or proceeding arising out of or relating to this Agreement shall be instituted in the federal courts of the United States of America or the courts of the State of Nevada in each case located in the County of Clark, and each party irrevocably submits to the exclusive jurisdiction of such courts in any such suit, action or proceeding.

31. Notices. All notices, request, consents, claims, demands, waivers, and other communications hereunder (each, a "Notice") shall be in writing and addressed to the parties at the addresses set forth on the face of the Sales Confirmation or to such other address that may be designated by the receiving party in writing. All Notices shall be delivered by personal delivery, nationally recognized overnight courier (with all fees pre-paid), facsimile (with confirmation of transmission) or certified or registered mail (in each case, return receipt requested, postage prepaid). Except as otherwise provided in this Agreement, a Notice is effective only (a) upon receipt of the receiving party, and (b) if the party giving the Notice has complied with the requirements of this Section.

32. Liquidated Damages. Should the Seller fail to make delivery on time as stipulated in this Agreement, with exception of Force Majeure causes specified in this Agreement or delays not imputable to Seller, the Buyer in its sole discretion shall be entitled to claim from Seller liquidated damages in the amount of 10% of the total cost of the goods. Buyer and Seller acknowledge that the liquidated damages are a good faith estimate of reasonable compensation for the damages resulting from the late delivery of the goods and that such liquidated damages are not intended, and shall not be construed, as a penalty. Seller further acknowledges that (i) liquidated damages payable by Seller herein are reasonable when viewed against the potential harm to Buyer caused by the late delivery of goods under this Agreement; (ii) payment of liquidated damages shall not excuse Seller from any obligation arising under this Agreement, including to deliver goods in accordance with shipment or delivery schedules; and (iii) payment of liquidated damages shall not prejudice any other rights and remedies available to Buyer under this Contract or in equity. Notwithstanding the foregoing, during any period of late delivery of goods, Buyer may, in its sole discretion, cancel this Agreement for default and recover actual damages reasonably incurred by Buyer that result from Seller's late delivery of goods. However, Buyer shall credit any liquidated damages collected hereunder against any such actual damages recovered.