

EVERETT CHARLES TECHNOLOGIES, INC.,

AND

MULTITEST ELECTRONIC SYSTEMS, INC.

TERMS AND CONDITIONS OF SALE

These terms and conditions (the "Contract") shall govern the sale of all products ("Multitest Products") and Services relating thereto by Everett Charles Technologies, Inc., a Delaware corporation, dba "Multitest," and Multitest Electronic Systems, Inc., a Delaware corporation (each, and together, "Multitest") to buyer ("Buyer").

1. Offer and Acceptance

Buyer's acceptance of this Contract is limited to acceptance of the express terms of the offer contained herein. This Contract takes effect upon the dispatch to Buyer (via mail, fax, e-mail or otherwise) of the earlier of (a) Multitest's quote, (b) Multitest's written order confirmation or (c) Multitest's invoice. Any of the foregoing shall be valid without hand-written signature. Any document supplied by buyer containing additional or different terms or conditions is considered a proposal to Multitest, and is herby objected to and rejected. If buyer uses its purchase order or other form in connection with the ordering of Multitest products or services, such form will be governed by the terms and conditions of this contract and any provision of such purchase order which in any manner differs from or is an addition to the provisions of this contract shall be of no force of effect.

2. Pricing, Shipping, Taxes, Etc.

Multitest's prices do not include transportation, insurance, duty, customs clearance fees (unless otherwise specified by Multitest), or sales, use, excise, value added, personal property or any other taxes. In addition to the prices specified herein, the amount of any transportation charges, insurance, duty, customs clearance fees or any present or future sales, use, excise, value added, personal property or other similar taxes applicable to the sale or use of the Multitest Products sold hereunder shall be paid by Buyer, or in lieu of an applicable tax, Buyer shall provide Multitest with a tax-exemption certificate acceptable to the applicable taxing authority, prior to shipment.

3. Credit Approval

All orders are contingent upon and subject to approval by the Multitest credit department. Multitest's credit department may at any time in its sole discretion require different payment terms. Multitest's credit department may periodically request financial information from Buyer in connection with reassessment of credit terms.

4. Packaging

Multitest will provide commercial packaging sufficient under normal conditions to protect the Multitest Products during shipment. Multitest Products will be packed for shipment in a manner selected by Multitest in the absence of instructions. Buyer may request special packaging, however, such special packaging must be mutually agreed upon by the parties at least 60 days in advance of the scheduled shipment date and the cost of such special packaging shall be borne solely by Buyer.

5. Shipping Terms; Delivery

Unless otherwise agreed in writing, all sales of Multitest Products are made under INCOTERMS 2010 (except for DDU – INCOTERMS 2000). Risk of damage to or loss of the goods shall be deemed to pass to Buyer upon delivery to the carrier at the point of shipment. Accordingly it shall be Buyer's responsibility to have appropriate insurance coverage and to file any claims therefore with the carrier. Shipment schedules are approximate and are based on conditions at the time of acceptance by Buyer. Multitest will use commercially reasonable efforts to complete shipment as indicated but assumes no responsibility or liability for loss or damage by reason of *force majeure* (see Section 20). In some cases, Buyer will be instructed under separate cover to provide a temperature controlled air-ride van. International shipments also require air freight. Buyer shall accept delivery and will, at Buyer's sole expense, provide facilities for setup which comply, in all respects with Multitest's instructions, all government laws, codes, regulations, orders and the like and with all agreements and understandings with labor unions. Partial and/or installment shipments are authorized and shall be paid for at Contract prices. If any part of the Multitest Products are not delivered by Multitest or are not in accordance with the order, the remainder of the order and Buyer's obligations therefore shall not be affected thereby.

6. Inspection Upon Delivery

Buyer shall ensure that a Multitest representative be present and supervise the un-crating of the Multitest Products (base unit systems only) or else warranty will be voided. Transportation charges for returned goods shall not be paid by Multitest unless authorized in writing in advance by Multitest. Multitest may, at its option, repair, replace or refund the purchase price for any or all returned Multitest Products within a reasonable time after it is finally determined that the returned goods are not in accordance with this Contract; and in such event Multitest shall not be liable for any damages arising from the defective delivery or delay caused thereby.



7. Acceptance

Unless noted otherwise, each Multitest Product is given a standard acceptance test at Multitest's plant pursuant to Multitest's usual quality control testing policies and procedures (the "Standard Acceptance Test"). Buyer is invited to observe this Standard Acceptance Test. Buyer may propose in writing an alternative acceptance procedure (the "Customer Acceptance Test"), which, if specifically agreed to in writing by Multitest, will substitute for the Standard Acceptance Test. Multitest needs to have Buyer's test vehicles at least 30 days prior to the proposed date of the Customer Acceptance Test. Any tests requested by Buyer to be done in the field shall be a duplicate of the test performed at Multitest's plant. The Multitest Product shall be deemed accepted upon satisfactory completion of the applicable acceptance test. Neither the standard shipping terms nor special shipping terms agreed to by the parties shall affect the time of acceptance of the Products and Buyer's obligations.

8. Setup/Configuration; Design Engineering

As to setup and design matters, the parties agree as follows:

8.1 Setup/Configuration

Unless otherwise mutually agreed to by the parties, Multitest agrees to supervise initial setup of a Multitest Product (for base units systems only) at Buyer's facilities. If specifications are cited in the Multitest supplied facilities requirements documentation, it is Buyer's responsibility to provide facilities meeting these specifications at Buyer's expense. It is Buyer's responsibility to prepare the area in which each Multitest Product is to be configured and to provide utility services specified by Multitest prior to the specified date. If, as a result of Buyer's failure to ensure that the facilities or personnel are prepared for configuration, Multitest is unable to complete a configuration as scheduled, charges may be applied for subsequent or extended visits necessary to complete the configuration.

8.2 Design/Engineering Approval

In performance of this Contract Multitest may perform engineering services and create engineering drawings ("Drawings") to modify an existing product to conform such product to Buyer's specifications. Unless otherwise agreed to in writing by Multitest, written approval of Drawings by Buyer shall mean acceptance of the engineering work performed by Multitest. Any modifications or enhancements which Buyer thereafter requests to the specifications initially provided shall be treated by Multitest to represent a new request for engineering. If any such changes cause an increase in the cost of, or the time required for, performance by Multitest of its obligations hereunder, an equitable adjustment shall be made in the price or performance schedule pursuant to this Contract, or both. No such changes, modifications, or enhancements following approval of the Drawings shall be allowed by Multitest unless the same are provided by Buyer in writing to Multitest and are accompanied by all appropriate documents, including as appropriate, a purchase order. Buyer agrees to pay, in accordance with the terms and conditions hereof, for any Multitest Product manufactured by Multitest as a result of Buyer's approval of any Drawings hereunder.

9. Payment

Payment terms under this Contract shall be as follows:

9.1 Multitest Products

Unless otherwise agreed in writing by Multitest, 100% of the Contract price of each Multitest Product is due within 30 calendar days after shipment.

Shipments, payment terms, deliveries and performance of work shall at all times be subject to approval of Multitest's credit department and Multitest may at any time decline to make any shipments or deliveries or to perform any work except upon receipt of payment or upon terms and conditions or security satisfactory to the credit department.

If a Letter of Credit is required for payment, Buyer shall open a fully operable irrevocable Letter of Credit to Multitest at least 30 calendar days prior to the scheduled shipping date. The Letter of Credit shall be opened in accordance with the terms of Multitest's instructions and subject to the International Chamber of Commerce's Uniform Customs Practices for Documentary Credits, Publication 500.

9.2 Service Contracts / Training

Payment terms under all service contracts are net 30 days from date of the Multitest invoice.

9.3 Tooling Costs

Payment terms as to tooling and non-recurring engineering costs are net 30 days from date of the Multitest invoice.

9.4 Overdue Payment

For overdue payment Multitest will charge one and one half percent (1.5%) interest per month.

10. Security Interest / Retention of Title

To secure performance of all obligations hereunder Buyer grants Multitest a purchase-money security interest in any Multitest Product, and all proceeds thereof (including cash or accounts receivable), to survive in each case until Multitest receives payment in full for such products. Buyer agrees that so as to perfect and maintain Multitest's security interest Multitest may at will file UCC-1 financing statements in all applicable jurisdictions.

Notwithstanding delivery and the passing of risk in Multitest Products, or any other provision of the Contract, the property in the Multitest Products shall not pass to Buyer until Multitest has received payment in full of the price of the Multitest



Products and all other goods agreed to be sold by Multitest to the Buyer for which payment is then due. Multitest shall have the absolute authority to retake, sell or otherwise deal with or dispose of all or any part of the Multitest Products in which title remains vested in Multitest.

11. License Grants

Multitest grants to Buyer a non-transferable, non-exclusive license to use the software (the "Software") incorporated into a Multitest Product or independently shipped for use with a Multitest Product and to any written materials (the "Software Materials") which accompany either the Multitest Product or the Software. Buyer agrees not to copy the Software except Buyer may make a copy of the Software for backup purposes. Buyer agrees not to copy the Software Materials, and further agrees not to make the Software Materials accessible from remote locations or accessible simultaneously by multiple users unless Buyer first secures written consent from Multitest. The term of this license will be for the duration of Buyer's ownership of the Multitest Product. Buyer acknowledges that no title to the intellectual property in the Software or Software Materials remain the exclusive property of Multitest, and Buyer will not acquire any rights to the Software or Software Materials except as expressly set forth above. Buyer may not transfer the Software or Software or Software Materials except as expressly set forth above. Buyer may not transfer the Software or Software will contain the same proprietary notices which appear on and in the Software.

In the event data is supplied by Multitest, it shall be conclusively presumed to pertain to products, components, or processes developed at Multitest's private expense and no rights in such data or in any inventions, patents, or copyrights related thereto shall pass to the Buyer. Correspondingly, if data is furnished to Multitest, Multitest may use such data for any purpose unless expressly forbidden from doing so by a written agreement signed by both parties.

12. Warranty

In respect to warranties of Multitest Products, the following shall apply:

12.1 Multitest Warranties

Multitest warrants that the hardware and other non-software components of any Multitest Product to be delivered under this Contract will be substantially free from defects in material and workmanship under normal use and service for 12 months after acceptance of the Multitest Product, but in no event longer than 13 months after shipment by Multitest (the "Warranty Period"). Consumable items and travel expenses are not included and will be charged in any case. Warranty is only valid if the Multitest recommended preventive maintenance is performed using original Multitest parts. Spare parts are themselves warranted to be substantially free from defects in material and workmanship under normal use and service for 90 days. It is recognized that some components and accessories, by virtue of their purpose and design, are not intended to function for a full year. If such components and accessories fail to give reasonable service for a reasonable period of time, as such is determined solely by Multitest, then Multitest may at its election, replace or repair them. Some newly manufactured products may contain re-manufactured parts equivalent to new in performance.

Where any valid claim in respect of any Multitest Product which is based on any defect in the quality or conditions of the goods or their failure to correspond with specifications is notified to Multitest in accordance with these conditions, Multitest shall be entitled at Multitest's sole discretion to either replace the goods free of charge or repair the goods.

Unless otherwise provided in a written agreement between the parties relating to the Software, Multitest warrants to Buyer that during the Warranty Period, the Software will substantially conform with Multitest's published specifications on the date of the order for the Software, if such Software is properly used in accordance with the procedures described in the Software Materials supplied by Multitest. Multitest's exclusive obligation with respect to non-conforming Software shall be, at Multitest's option, to replace the Software or use diligent efforts to provide Buyer with a correction of the defect, or to refund to Buyer the purchase price paid (or if not paid directly, the price allocated by Multitest) for the Software. Defects in the Software will be reported to Multitest in a form and with supporting information reasonably requested by Multitest to enable it to verify, diagnose and correct the defect.

Notwithstanding the foregoing, in lieu of repairing or replacing a Multitest Product, Multitest may at any time discharge its warranty as to any item by refunding the purchase price and taking back the Multitest Product.

The aforementioned provisions do not extend the original warranty period of any Multitest Products which have either been repaired or replaced by Multitest. Multitest assumes no responsibility for the performance of a Multitest Product manufactured to Buyer's design or specifications, nor for defects in raw materials, parts, or sub-assemblies furnished by Buyer or its agents.

Notwithstanding the foregoing, the sole and exclusive warranty for any product or component of an Multitest Product purchased by Multitest from another manufacturer for ultimate resale to Buyer (either as a discrete product or component of an Multitest Product) shall be limited to the warranty and warranty period, if any, extended by such manufacturer.

12.2 Exclusions from Warranty

Multitest's obligation under this Section 12 shall not apply to items sold by Multitest to Buyer which have been

- (a) altered by Buyer in any respect, including any instance in which third-party parts are being used in replacement of original Multitest parts;
- (b) combined by Buyer with other equipment or technology not authorized in writing by Multitest;



- (c) subjected to unusual physical or electrical stress, misuse, abuse or accidents;
- (d) otherwise used by Buyer in an unauthorized manner; or
- (e) configured at a location different from that agreed to in the Contract without prior written agreement of Multitest.

Furthermore, Multitest shall not be liable in respect to any defect in the Multitest Products arising from any design or specification supplied by the Buyer.

Multitest shall not be liable under the warranty given under this Section 12 if the total price of the Multitest Products in guestion has not been paid by the time period specified in Section 9.

12.3 No Extension for Repair

In the event that an Multitest Product or part thereof is replaced or repaired, such shall not enlarge or extend the Warranty Period for any Multitest Product beyond the Warranty Period for the Multitest Product originally purchased.

12.4 DISCLAIMER OF ADDITIONAL WARRANTY

The foregoing warranties are stated in lieu of all other warranties, express, statutory or implied, which are hereby excluded to the maximum extent permitted by law, including the implied warranties of merchantability, non-infringement of third party rights and fitness for a particular purpose, and of all other obligations or liabilities on Multitest's part in connection with the sale of any Multitest product, and Multitest neither assumes nor authorizes any other person to assume for Multitest any other obligations or liabilities in connection with the sale of any Multitest product. Warranties herein stated may be asserted only by buyer and not by buyer's own buyers or any other party with whom Multitest is not in privity of contract.

13. Spare Parts Supply

For Buyer-specific developed and manufactured items (e.g. conversion kits, contact sockets) Multitest guarantees a regular spares supply and service labor for five years starting with the date of delivery. Beyond this period, Multitest will provide spares and service labor for a specific Multitest Product only as, and if, available in ordinary course of Multitest's business.

14. Infringement

The parties shall indemnify each other as follows:

14.1 Multitest's Indemnification

Multitest agrees to indemnify and hold harmless Buyer, its officers, directors, employees and agents against any claims, actions or demands that the Multitest Product purchased under this Contract directly and literally infringes any copyrights, patents, trade secrets or other proprietary rights of any third party arising under law of applicable jurisdiction which exist on or prior to the delivery date of a Multitest Product, unless such claims, actions or demands result in whole or in part from:

- (a) Buyer's use of the Multitest Product in a combination which violates the rights of third parties or in a combination with materials or products not supplied by Multitest (even if those materials or products are necessary for the operation of the Multitest Product);
- (b) The modification or attempted modification of the Multitest Product by parties other than Multitest or the use or distribution of such modified Multitest Product;
- (c) The use of other than the latest version of any software or hardware of Multitest included in the Multitest Product, if such claim would have been avoided by the use of such later version;
- (d) The use or sale of the Multitest Product which was designed in accordance with Buyer's specifications;
- (e) The method of Buyer's use of the Multitest Product (even if that is the only reasonable use of such Multitest Product); or
- (f) Infringement of any patent or equivalent right that Buyer was aware of or should have been aware of at the time of purchase of the Multitest equipment.

This indemnification obligation is contingent upon

- (a) Buyer giving written notice within 15 calendar days to Multitest of any such claim, action or demand,
- (b) Buyer allowing Multitest to control any defense and related settlement negotiations, and
- (c) Buyer fully assisting, at Multitest's expense, in any defense.

To terminate this indemnification obligation, Multitest may, at its option,

- (a) modify or replace the Multitest Product with one which is functionally equivalent,
- (b) obtain a license for the Buyer to continue to use the Multitest Product,
- (c) accept the return of the Multitest Product held by Buyer and return the purchase price of Multitest Product to Buyer.

The foregoing states buyer's exclusive remedy with respect to claims of infringement of proprietary rights of any kind.



14.2 Buyer's Indemnification

Buyer agrees to indemnify and hold harmless Multitest, its officers, employees and agents against any claims, actions or demands alleging that Multitest is liable for infringement of patents, copyrights, trade secrets or other proprietary rights of any third party due to the actions of Buyer including but not limited to:

- (a) Buyer's use of the Multitest Product in a combination which violates the rights of third parties or in a combination with materials or products not supplied by Multitest;
- (b) The modification or attempted modification of the Multitest Product by parties other than Multitest or the use or distribution of such modified Multitest Product;
- (c) The use of other than the latest version of any software or hardware of Multitest included in the Multitest Product, if such claim would have been avoided by the use of such later version; or
- (d) The use or sale of the Multitest Product which was designed in accordance with Buyer's specifications.

This indemnification obligation extends to liability arising under any theory. This indemnification obligation is contingent upon

- (a) Multitest giving prompt written notice to Buyer of any such claim, action or demand,
- (b) Multitest allowing Buyer to control any defense and related settlement negotiations and
- (c) Multitest fully assisting, at Buyer's expense, in any defense.

15. Personal Injury

Buyer shall take such steps as may be reasonably necessary to prevent personal injury or property damage during any activity that may be performed by any directors, employees, agents, or subcontractors, etc., of the Buyer during Buyer's receipt or inspection of any Multitest Product at Multitest's facilities and Buyer shall indemnify and hold harmless Multitest from and against all loss, liability, and damages arising from or caused directly or indirectly by any negligent act or omission of such agents, directors, employees, or subcontractors, etc., of the Buyer. Multitest agrees to indemnify Buyer against any claims against Buyer in respect of personal injury or loss of or damage to tangible property, but not otherwise, up to the limits of the Multitest's applicable insurance per occurrence, as a result of any negligent act or omission of Multitest's employees during any work at Buyer's facility. Multitest's indemnification obligations under this clause shall apply only if Buyer has provided notice to Multitest, in writing, of any such claims within the scope of this indemnification within 10 calendar days after the date on which Buyer first receives any notice, written or oral, that such claims may be asserted against Buyer. Upon receipt of any such written notice from Buyer, Multitest or its representative shall have the right to defend any such claims and/or to participate in any discussions or agreements entered into by Buyer to settle same. Multitest shall have the right to refuse to settle or compromise any such claims, or in its sole judgment, to defend Buyer against any lawsuit at Multitest's expense. Multitest shall not be bound by any judgments or settlement agreements to which it has not been a party or to which it has not consented in writing. The above constitutes the full extent of Multitest's indemnification obligation, express or implied, to Buyer.

16. Limitation of Liability

The remedies provided herein are Buyer's sole and exclusive remedies. In no event shall Multitest be liable for any incidental, indirect, consequential or like damages including specifically, but without limitation, lost profits, savings or revenues of any kind, whether or not Multitest has been advised of the possibility of any such damages or the like, including those arising out of the sale, setup, service or use of the Multitest Products sold hereunder. In no event shall Multitest's liability on any claim of any kind exceed the price allocable to the Multitest product or service or part which gives rise to the claim and such maximum liability shall be reduced each year after the delivery date of the Multitest product by 20% of the price allocable to the Multitest product or service or part which gibes rise to the claim. In the event of patent infringement, Multitest's entire liability shall in no event exceed the purchase price for any Multitest product purchased under this contract. Multitest shall have no liability for any claim of indemnification concerning an alleged infringement where the damages alleged or awarded are based directly or indirectly upon the quantity of value of goods manufactured by means of the product, or upon the amount of use of the product. If the remedies provided herein shall be found to have failed of their essential purpose by a court of competent jurisdiction, the limitation of incidental and consequential damages shall nevertheless apply, such limitation on damages being independent of Buyer's exclusive remedies.

17. Cancellation; Rescheduling

Buyer may unilaterally cancel this Contract upon written notice to Multitest and upon payment of <u>cancellation</u> charges as follows:

- (a) If notice is within 30 days of the scheduled shipment date, 80% of the purchase price of the order;
- (b) If notice is more than 30 days, but within 60 days of the scheduled shipment date, 50% of the purchase price of the order;
- (c) 80% of the purchase price of the order is payable for any conversion kit cancellation;
- (d) 100% of the purchase price or cost is payable for tooling, engineering services, design services, interface boards, burn-in boards, third-party components and assembly, custom-made items, spare parts and contact sockets; and
- (e) All incurred costs are due for any service contracts, training, or rescheduling or cancellation.



Buyer may unilaterally reschedule this Contract upon written notice to Multitest and upon payment of re-scheduling charges as follows:

- (a) If notice is within 30 days of the scheduled shipment date, 80% of the purchase price of the order;
- (b) If notice is more than 30 days, but within 60 days of the scheduled shipment date, 50% of the purchase price of the order;
- (c) 80% of the purchase price of the order is payable for any conversion kit rescheduling;
- (d) 100% of the purchase price or cost is payable for tooling, engineering services, design services, interface boards, burn-in boards, third-party components and assembly, custom-made items, spare parts and contact sockets; and
- (e) All incurred costs are due for any service contracts, training, or rescheduling or cancellation.

18. Default

In the event of (1) breach by Buyer of any agreement, term or condition set forth herein; (2) breach by Buyer of any representation or warranty made by Buyer in connection with this transaction; or (3) default by Buyer in the payment of any indebtedness due there under, Multitest may unilaterally suspend further shipments or terminate the Contract without in any way affecting its other rights under this Contract and may exercise all rights and remedies available to it at law and / or in equity.

19. Laws, Codes, Compliance

19.1 Laws, Codes, Regulations, Safety, Export

Compliance with laws, codes, and regulations relating to the Multitest Products sold pursuant hereto and their use is the sole responsibility of Buyer, and Multitest makes no warranty or representation with respect hereto. Buyer assumes the responsibility for providing and installing any device for the protection of safety and health and shall indemnify and hold harmless Multitest against any expense, liabilities, loss, and / or damage which Multitest may incur or sustain as a result of Buyer's failure to do so. Furthermore, in certain cases export or re-export of Multitest Products and technical data may be subject to prior approval by German Bundesamt für Wirtschaft und Ausfuhrkontrolle (Federal Office of Economics and Export Control). It is the responsibility of the exporter or re-exporter to obtain an appropriate export licenses or authorizations before exporting to any country. Order acceptance and delivery are contingent upon export license screening and/or receipt of validated license. Buyer agrees to assist Multitest in the screening process and/or obtaining said license by providing at the time of order (at the latest) complete end-use information.

19.2 Compliance

- a) Buyer agrees that, in executing and performing this Contract, it will conduct its operations ethically and in accordance with all applicable laws including the laws of the United States and any country in which Multitest and Buyer do business together, including but not limited to laws that prohibit commercial bribery, payments to officials, and money laundering (the "Anticorruption Laws"), and laws requiring compliance with local tax laws, import/export regulations and payment of applicable customs and duties ("Import/Export Laws").
- b) Buyer agrees that it, its directors, officers, employees, agents, subcontractors, representatives and consultants are familiar with, and will comply in all respects with, the Anticorruption Laws and the Import/Export Laws
- c) Buyer agrees that any products, software or technology acquired from Multitest will not be exported, sold, or transferred in violation of any of the following laws as may be applicable: (i) the U.S. Export Administration Regulations; (ii) the U.S. International Traffic in Arms Regulations (ITAR); (iii) the provisions of the Chemical Weapons Convention; (iv) U.S. sanctions and embargoes administered by the U.S. Dep't of Treasury; and (v) export control laws and regulations of all other countries.
- d) Buyer hereby acknowledges that Multitest is prohibited from participating in or supporting international boycotts of certain countries, including Israel, if such boycotts are not sanctioned by the U.S. Government. For this reason, neither party shall take (or be required to take) or refrain from taking any action that is impermissible or penalized under the laws of the United States or any other applicable jurisdiction.
- e) Buyer agrees that it, its directors, officers, employees, agents, assigns, subcontractors, representatives and/or consultants will not authorize or make any payments or gifts or any offers or promises of payments or gifts of any kind, directly or indirectly, in connection with this Contract to:
 - (i) any government official to influence the official for the purpose of obtaining or retaining business or securing some other improper advantage;
 - (ii) any employee of a private company in order to improperly induce that employee to provide any competitive advantage to Multitest or Buyer in selling products or services or in otherwise doing business with that company.
- f) Buyer represents that neither it nor any of its directors, officers, nor employees is a government official, including without limitation an official or employee of any government, an official of a political party, or a candidate for political office, or a director, officer, employee, or "affiliate" (as defined in regulations under the U.S. Securities Exchange Act of 1934) of a government instrumentality. Buyer understands that for purposes of this clause, a "government official" may include an employee or official of a commercial entity or a university or institute of higher learning in which a



government body has an ownership interest or exerts control over the activities of such entity, as well as officials and employees of public international organizations.

- g) These representations shall be deemed to be continuing in effect throughout the term of the Contract. Buyer shall promptly advise Multitest of any change in circumstances which may affect the continuing validity of the representations.
- h) Buyer shall maintain, during the term of the Contract, and for at least five (5) years after expiration or termination of the Contract, accurate books and records, including but not limited to copies of all customer, sub-consultant, and other correspondence, customer, sub-consultant, and other agreements, records of expenses incurred, and records of payments received, relating to Buyer's performance of its obligations under the Contract, and will permit examination and audit thereof by Multitest's personnel and designated agents at all reasonable times during and after the term of this Contract.
- If in Multitest's sole judgment any breach of any section of this clause has occurred, Multitest is entitled to terminate the Contract effective immediately on five (5) days written notice to Buyer and no further payment or other compensation shall be due to Buyer under the Contract.

20. Force Majeure

Multitest shall not be liable for delays or failures in performance of any obligation hereunder by reason acts of God, fires, floods, wars, embargoes, labor disputes, acts of sabotage, acts of terrorism, riots, accidents, delays of carriers, subcontractors or suppliers, voluntary or mandatory compliance with any governmental act, regulation or request, shortage of labor, materials or manufacturing facilities, delays or unavailability of transport or any other cause or causes beyond Multitest's reasonable control. If by reason of any of these things, Multitest's supplies of the Multitest Products covered hereby are limited, Multitest shall have the right to pro-rate the available supply in such a manner as it, in its sole discretion, determines. Deliveries suspended or not made by reason of this Section shall be cancelled without liability; provided however, that payment obligations for Multitest Products already delivered or for services rendered pursuant to this Contract shall otherwise remain unaffected.

21. Disposal in the End-of-Life Case

Multitest and Buyer agree that Buyer is obliged to dispose of old Multitest Product purchased hereunder in the end-of-life case in a professional way and according to the prevailing local legal regulations.

22. Confidential Information

The parties shall treat confidential information as follows.

22.1 Buyer Confidential Information

Buyer shall not disclose confidential proprietary information to Multitest except in accordance with these provisions. All information claimed to be confidential or proprietary shall be reduced to writing and appropriately marked to so identify it. Multitest agrees to hold such information in confidence for Buyer and not use it, except as authorized by Buyer, for a period of three (3) years from the date of this Contract. In protecting the confidentiality of such information. Multitest shall be held to the standard of care it uses in protecting its own such confidential and proprietary information. Notwithstanding Buyer's claim of confidential or proprietary status, the following information shall not be subject to the obligation of confidentiality or non-use: information which was or becomes known to Multitest from sources other than Buyer; information which is independently developed by Multitest, or by its consultants, without breach of these terms; information which is or becomes part of the public domain without breach of these terms; information which is disclosed to third parties without restriction or breach of these terms.

22.2 Multitest Confidential Information

Unless otherwise agreed to in writing by Multitest, all information sent to Buyer in connection with this Contract shall bear the Multitest copyright, and Buyer agrees to treat all such items as the copyrighted and proprietary information of Multitest. Furthermore, the sole and exclusive ownership of, and all copyright interest embodied in, the designs, tools, patterns, drawings, information and Multitest Products supplied by Multitest hereunder, and the exclusive rights with respect to the use and reproduction of any of the foregoing, are expressly reserved to Multitest. Buyer shall have no rights in or to any of the foregoing other than for the ownership of the Multitest Product sold to the Buyer and the nonexclusive right and license to use Multitest's proprietary information contained in such Multitest Product in Buyer's business, solely through the implementation of the Multitest Product sold to Buyer. In protecting the confidentiality of such information, Buyer shall be held to the standard of care it uses in protecting its own such confidential and proprietary information, but not less than a reasonable degree of care under the circumstances prevailing. Notwithstanding Multitest's claim of confidential or proprietary status, the following information shall not be subject to the obligation of confidentiality or non-use: information which was or becomes known to Buyer from sources other than Multitest; information which is independently developed by Buyer, or by its consultants, without breach of these terms; information which is or becomes part of the public domain without breach of these terms; information which is disclosed to third parties without restriction or breach of these terms.

22.3 Multitest Intellectual Property

Buyer agrees that Multitest has a vital interest that Multitest original parts will not be copied by third parties, and Buyer agrees to take all steps necessary to prevent Multitest original parts from being copied by third parties, including monitoring activities of Buyer's employees, consultants etc and requiring Buyer's employees, consultants etc to enter into appropriate agreements prohibiting such third parties from making use of Multitest designs or other Multitest information



for any purposes other than those related to this Contract, either during or after contractual relationship with Buyer. A failure of Buyer to do so constitutes a material breach of this Contract.

23. Governing Law; Jurisdiction

The validity, interpretation and performance of this Contract and any dispute connected herewith shall be governed by and construed in accordance with the laws of the State of California USA, excluding choice of law rules. Any patent disputes that arise under this Contract shall be heard and decided by a United States Federal District Court situated in California, and the parties hereby submit to the jurisdiction of, and waive any venue objection against such court. Any dispute, other than relating to patents, arising from or in connection with this Contract and which is not resolved by the parties within 90 days after original written notices of dispute shall thereafter be submitted to the exclusive jurisdiction of a competent state or federal court situated in California. The parties expressly exclude and disavow the application of the United Nations Convention on Contracts for the International Sale of Goods in its entirety in respect to the Contract. No action by Buyer may be brought at any time more than 12 months after the facts occurred upon which the cause of action arose.

24. Miscellaneous

All communications required or permitted under this Contract must be in writing and will be deemed given when (a) delivered personally, (b) sent by confirmed telex or facsimile, (c) sent by commercial overnight courier with written verification of receipt, or (d) sent by registered mail, return receipt requested, postage prepaid. All communication must be sent to the receiving party's initial address, or to such other address that the receiving party may have provided for purpose of notification as provided herein. This Contract may not be amended except by a written instrument signed by appropriate officers of each party. Any attempted assignment of this Contract or of any rights arising hereunder by the Buyer without the prior written consent of Multitest shall be void and of no effect. No term or provision hereof shall be waived or deemed waived by either party, and no breach excused by either party, unless such waiver or consent is in writing signed on behalf of the party against it is asserted. No consent by either party to, or waiver of, a breach by either party, whether express or implied, will constitute a consent to, waiver of, or excuse of any other different, or subsequent breach by either party. Except as otherwise specifically stated herein or agreed in writing by the parties, this Contract represents the entire agreement between the parties relating to its subject matter and supersedes all prior representations, discussions, negotiations and agreements, whether written or oral. Each party shall be responsible for all its legal, accountancy or other costs and expenses incurred in the performance of its obligation hereunder.

25. Severability

If any of the provisions contained herein shall be held to be void or unenforceable for any reason, such unenforceability shall not affect any other provision herein, but these terms and conditions shall be construed as if such unenforceable provision had never been contained herein. In such a case the parties shall by mutual agreement substitute for the provisions concerned a provision considered substantially equivalent in economic terms.

26. Subject to Change

The terms and conditions of this Contract are valid starting 01. November 2011. Multitest reserves the right to prospectively change the terms and conditions hereof at any time.

27. EDI Purchase

If Multitest and Buyer mutually agree to use an electronic data interchange ("EDI") system to facilitate purchase and sale transactions, Buyer agrees that a) it will not contest: (i) any contract of sale resulting from an EDI transaction under the provisions of any law relating to whether agreements must be in writing or signed by the party to be bound thereby; or (ii) the admissibility of copies of EDI records under the business records exception to the hearsay rule, the best evidence rule or any other similar rule, on the basis that such records were not originated or maintained in documentary form, and b) that these terms and conditions shall apply to any such transactions. Multitest and Buyer will negotiate and agree on technical standards and methods to use in making EDI purchases, and will use reasonable security procedures to protect EDI records from improper access. In the event of a conflict, the business records maintained by Multitest respecting EDI purchases made by Buyer shall be deemed to be conclusive.

28. Assignment and Successors and No Third Party Rights

This Contract binds and benefits the parties and their respective successors and assigns, except that Buyer may not assign any rights under this Contract, whether by operation of law or otherwise, without the prior written consent of Multitest. No party may delegate any performance of its obligations under this Contract except that Multitest may at any time delegate the performance of its obligations to any related corporation. Nothing expressed or referred to in this Contract will be construed to give any person, other than the parties to this Contract, any legal or equitable right, remedy or claim under of with respect to this Contract or any provision of this Contract expect such rights as may inure to a successor or permitted assignee under this section.