

TERMS AND CONDITIONS OF SALE

1. Terms and Conditions. This sale is subject to the terms and conditions set forth below, which supersede any and all terms and conditions set forth in any documents issued by Purchaser, including Purchaser's purchase order. ANY ADDITIONAL, DIFFERENT OR CONFLICTING TERMS AND CONDITIONS HEREBY ARE OBJECTED TO BY ARECONT VISION, LLC ("AV"), AND SHALL BE OF NO FORCE AND EFFECT. No waiver or amendment of these terms and conditions shall be binding on AV unless made in writing expressly stating that it is such a waiver or amendment and signed by AV.

2. Limited Warranty. AV warrants to Purchaser (and only Purchaser) (the "Limited Warranty"), that: (a) each Product shall be free from material defects in material and workmanship for a period of twelve (12) months from the date of shipment (the "Warranty Period"); (b) during the Warranty Period, the Products will materially conform with the specification in the applicable documentation; (c) all licensed programs accompanying the Product (the "Licensed Programs") will materially conform with applicable specifications. Notwithstanding the preceding provisions, AV shall have no obligation or responsibility with respect to any Product that (i) has been modified or altered without AV's written authorization; (ii) has not been used in accordance with applicable documentation; (iii) has been subjected to unusual stress, neglect, misuse, abuse, improper storage, testing or connection; or unauthorized repair; or (iv) is no longer covered under the Warranty Period. AV MAKE NO WARRANTIES OR CONDITIONS, EXPRESS, IMPLIED, STATUTORY OR OTHERWISE, OTHER THAN THE EXPRESS LIMITED WARRANTIES MADE BY AV ABOVE, AND AV HEREBY SPECIFICALLY DISCLAIMS ALL OTHER EXPRESS, STATUTORY AND IMPLIED WARRANTIES AND CONDITIONS, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT AND THE IMPLIED CONDITION OF SATISFACTORY QUALITY. ALL LICENSED PROGRAMS ARE LICENSED ON AN "AS IS" BASIS WITHOUT WARRANTY. AV DOES NOT WARRANT THAT (I) THE OPERATION OF THE PRODUCTS OR PARTS WILL BE UNINTERRUPTED OR ERROR FREE; (II) THE PRODUCTS OR PARTS AND DOCUMENTATION WILL MEET THE END USERS' REQUIREMENTS; (III) THE PRODUCTS OR PARTS WILL OPERATE IN COMBINATIONS AND CONFIGURATIONS SELECTED BY THE END USER; OTHER THAN COMBINATIONS AND CONFIGURATIONS WITH PARTS OR OTHER PRODUCTS AUTHORIZED BY AV OR (IV) THAT ALL LICENSED PROGRAM ERRORS WILL BE CORRECTED.

3. Exclusive Remedy; Limitation of Liability. Purchaser's exclusive remedy for a breach of the Limited Warranty shall be limited to repair or replacement of, or refund for, the non-conforming Product (at AV's sole option). Product returned to AV for non-compliance with this Limited Warranty shall be returned in accordance with the "Rejection/Return" provisions below. Any refund shall be equal to the actual purchase price for the applicable Product. IN NO EVENT SHALL AV BE LIABLE TO PURCHASER FOR ANY INDIRECT, INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGES RESULTING FROM AV'S PERFORMANCE OF FAILURE TO PERFORM, WHETHER DUE TO BREACH OF CONTRACT OR WARRANTY, NEGLIGENCE OR OTHERWISE.

4. Repaired or Replaced Product. The warranty for repaired or replaced Product shall be limited in scope to the warranty set forth above, and shall have a duration of the greater of (i) the remaining Warranty Period in the original warranty that was applicable to the original Product, extended by the time elapsed between AV receiving notice of the non-conformity and Purchaser's receipt of the repaired or replaced Product; or (ii) ninety (90) days following delivery to Purchaser's of the repaired or replaced Product.

5. Shipment and Risk of Loss. All Products shipped by AV shall be packaged in AV's shipping cartons so as to prevent damage and shall be delivered to a common carrier FOB AV's facilities in Altadena, CA, USA, at which time risk of loss shall pass to Purchaser. All freight, insurance, and other shipping expenses, as well as expenses for any special packing requested by Purchaser and provided by AV, shall be paid by Purchaser.

6. Licensed Programs. Upon the sale of any Product to Purchaser, AV grants to such Purchaser a non-exclusive, non-transferable, royalty free license to (i) install copies of the Licensed Programs in appropriate hardware; and (ii) use the Licensed Programs for their intended purpose. Purchaser may make copies of any Licensed Programs only as necessary to exercise its rights authorized hereunder and as necessary to backup the Licensed Programs.

7. Payment. Payment shall be in U.S. Dollars, and shall be due and payable in accordance with the terms set forth on the applicable AV Quotation. Payment shall be in an amount equal to the purchase price for the applicable Product plus all applicable taxes, shipping charges, and other charges to be borne by Purchaser.

8. Rejection/Return. All Products shall be deemed accepted by Purchaser twenty (20) business days after receipt unless Purchaser rejects such Product within such twenty (20) business day period for failure to comply with the Limited Warranty set forth in above. Upon such rejection, Purchaser shall immediately notify AV of the rejection and shall, at AV's option, return the Product or allow AV to inspect the rejected Product and shall follow AV's instructions regarding disposition of the rejected Product. Prior to the return of any Product to AV as provided for hereunder, Purchaser shall obtain from AV's Technical Support Department a Return Material Authorization ("RMA") number. Within ten (10) business days after receiving an RMA number for the Product, Purchaser shall package the Product in its original packing material or an equivalent and return such Product to AV or such other location as AV may designate in writing. AV shall bear the cost of freight and insurance for the return to AV. Purchaser shall enclose with the returned Product the applicable RMA form, and any other documentation or information requested by AV. AV may refuse to accept returns of any Product not packed and shipped as provided in this paragraph. Upon verification that the Product does not comply with the Limited Warranty, AV shall repair, replace, or provide a refund for such Product, at AV's option, no later than thirty (30) days after the time AV receives from Purchaser written notice of such return or rejection. AV shall be responsible for returning, at AV's cost, repaired or replaced Products to Purchaser.

9. General Provisions. Notwithstanding any other provision hereof, performance by AV shall be excused to the extent that performance is rendered commercially unreasonable by acts of God, war, fire, flood, riot, power failure, embargo, material shortages, strikes, governmental acts, man-made or natural disasters, earthquakes, failure or limitation of supply, or any other reason where failure to perform is beyond the reasonable control and not caused by the negligence of AV. The time for performance shall be extended for the time period lost due to the delay. This Agreement shall be governed by and construed under the laws of the State of California, USA, without reference to conflict of laws. These terms and conditions, including those on the face page hereof (if any), set forth the entire agreement and understanding of AV and Purchaser with respect to the sale and distribution of Products, the Licensed Products and Parts and supersede all prior or contemporaneous agreements relating thereto, written or oral, between the parties. Purchaser may not assign its rights or delegate its obligations hereunder without the express written consent of AV. Any assignment by Purchaser without such consent shall constitute a breach hereof by Purchaser.