

GENERAL TERMS AND CONDITIONS

1. AGREEMENT TERMS

The terms and provisions of this acknowledgment shall be controlling, and any objections to any term herein, including provisions which are in addition to or different from those contained in the buyer's forms, must be in writing and shall not be deemed timely unless received by Seller within a reasonable time, which is agreed to be within ten (10) business days from the date of mailing of this Agreement. If Buyer makes timely objection to any term herein, Seller shall have the right to withdraw its acceptance of this Agreement. Buyer's failure to object as specified will be deemed conclusive acceptance of all the terms and conditions of this acknowledgment. No acceptance by the Seller of any order shall be deemed as acceptance of any provisions of the Buyer's purchase order form. No purchase order written or oral will modify this Agreement, including these terms and conditions, unless specifically agreed to in writing, by Synergy Microwave Corporation. The invalidity of any provision of this Agreement shall not affect the validity of any other provision.

2. PRICES AND TERMS

Price, terms and availability of merchandise are subject to change without notice, including and not limited to changes caused by fluctuations in market price, availability or changes beyond Seller's reasonable control. All invoices are due and payable 30 days from the date of invoice. If in Seller's judgement, the Buyer's financial condition does not justify the terms of payment herein specified, Seller may require full or partial payment in advance of either production or shipment. If such payment is not made, Seller may cancel any part of the outstanding order.

3. TAXES

The prices applicable to this order do not include any allowance for federal, state, local or any other sales tax which may apply to the transactions contemplated by this order. The amounts of such taxes shall be paid by the Buyer.

4. SHIPMENTS

Shipment dates are based upon Seller's best judgements and are subject to factory schedules and production limitations. Every possible effort will be made to assure that the scheduled delivery dates are met. Accordingly, Seller can assume no liability, consequential or otherwise, of any sort or nature, resulting from any delay caused by act of God, fire or other casualty, accident, strike, shortage of labor or materials, governmental action or other cause beyond Seller's control. The time for Seller's performance shall be extended by the period of any such delay. Seller reserves the right to apportion its production among its customers as it may determine. Shipments will be made via requested shipment mode. When shipment mode is not specified by the buyer, shipments will be made via U.P.S. prepaid and bill. The F.O.B. is Paterson, N.J.

5. WARRANTY

SYNERGY MICROWAVE CORPORATION warrants that the components to be delivered shall, at the time of delivery, be free from defects in material and workmanship. Synergy's obligation under this warranty is limited to the repair or replacement of the defective parts; all freight costs to and from Synergy's plant will be paid by the buyer. This warranty shall remain in effect for the period of one year from the date of shipment. Synergy shall have no liability for special, incidental or consequential damages resulting from improper use, negligence or accident, complete or partial disassembly of the components will void this warranty.

A fee to cover the analysis costs on the returned components under this warranty will be charged to the buyer if, when after examination by Synergy, the components are found to meet the specifications or have failed for reasons not covered by this warranty. No returns will be accepted by Synergy if the proper Return Authorization Number is not attained from Synergy prior to returning the damaged devices.

The warranty stated herein is exclusive and in lieu of other warranties expressed or implied.

6. PRODUCT SPECIFICATIONS

Specification changes are subject to acceptance by Synergy, including price revisions and any adjustments necessary to cover material procured, processed and labor expended prior to receipt by Synergy of revised specifications. Published specifications are subject to change without notice and may be verified for correctness by contacting Synergy Microwave Corporation directly.

7. INSPECTION

Buyer shall have the right and shall be given the opportunity to inspect the goods at Synergy's facility and prior to shipping, for a nominal fee and shall be so conducted as not to interfere with Synergy's normal operations. Such inspection, must be stated in the Buyer's acknowledgment and shall have been previously quoted in writing by Synergy.

8. FAIR LABOR STANDARDS ACT

Synergy certifies that all items shall be manufactured or furnished in accordance with the applicable requirements of the Fair Labor Standards Act of 1938, as amended.

9. SELLER'S LIABILITY

Buyer shall not in any event be entitled to, and Synergy shall not be liable for indirect, special, incidental or consequential damages of any nature, including and not limited to loss of profit, promotional or manufacturing expenses, overhead, injury to reputation or loss of customers. Buyer's recovery from Seller, for any claim shall not exceed Buyer's purchase price for the products, irrespective of the nature of the claim, whether in contract, tort, warranty or otherwise.

10. ATTORNEY'S FEES

If litigation is brought to enforce any rights created hereby, the prevailing party shall be entitled to attorney's fees and cost.

11. GOVERNING LAW

All rights and obligations shall be governed by the law of the state of New Jersey, United States of America.

12. CANCELLATION

Buyer may cancel orders by written notification, provided that the agreed upon price of all products which are completed, manufactured, and allocable to this order, at the time of receipt of such notice of cancellation is paid to Synergy. The Buyer will also pay Synergy for all costs direct or indirect, which have been incurred by Synergy for products that have not been completely manufactured at the time of receipt of cancellation. Wherever possible and to minimize such costs, Synergy will attempt to divert completed parts or work-in-process from cancelled orders to complete other orders. Orders for custom parts are non-cancellable, unless agreed to by Synergy.