



Application for Credit and General Terms & Conditions of Sale

TERMS AND CONDITIONS OF SALE

All quotations and sales by Power and Signal Group a division of Arrow Electronics, Inc., and its subsidiaries ("Power and Signal") are subject to these terms and conditions and those on the front of this document.

1. Except as otherwise set forth on the front of this document: Terms of payment are net 30 days from invoice date; prices are FOB Power and Signal's facility; and prices do not include any taxes, freight, handling, duty or other similar charges, payment of which will be the sole responsibility of customer. Prices are conditioned upon timely payment and any past due balance will accrue interest at the monthly rate of one and one-half percent. Freight charges may be constructed on the basis of standard carrier tariffs and may not reflect actual transportation costs. Power and Signal reserves the right to modify terms prior to shipment, require payment in advance, or delay or cancel any shipment or order by reason of customer's creditworthiness or should customer fail to fulfill any obligation when due.

2. In the absence of prior agreement as to shipping, Power and Signal may select a carrier. Power and Signal's responsibility for any loss or damage ends, and title passes, when products are delivered to the carrier, to customer, or to customer's agent (including, without limitation, any test house or value added service provider), whichever occurs first. Customer will pay for storage charges if products are held by Power and Signal at customer's request pending instructions or rescheduled delivery.

3. Power and Signal warrants those products assembled or customized by it against defects caused solely by faulty assembly or customization for 90 days after delivery. All other products, and the components and materials utilized in any assembled or customized products, are covered by, and subject to, the terms, conditions, and limitations of the manufacturer's standard warranty, which warranty is expressly in lieu of any other warranty, express or implied, of or by Power and Signal or the manufacturer. Customer's exclusive remedy, if any, under these warranties is limited, at Power and Signal's election, to any one of (a) refund of customer's purchase price, (b) repair by Power and Signal or the manufacturer of any products found to be defective, or (c) replacement of any such product. Customer acknowledges that except as specifically set forth or referenced in this paragraph, THERE ARE NO REPRESENTATIONS OR WARRANTIES OF ANY KIND (INCLUDING, WITHOUT LIMITATION, IN ADVERTISING MATERIALS, BROCHURES, OR OTHER DESCRIPTIVE LITERATURE) BY POWER AND SIGNAL OR ANY OTHER PERSON, EXPRESS OR IMPLIED, AS TO THE CONDITION OR PERFORMANCE OF ANY PRODUCTS, THEIR MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE, OR OTHERWISE. POWER AND SIGNAL ASSUMES NO RESPONSIBILITY OR LIABILITY WHATSOEVER FOR MANUFACTURER'S PRODUCT SPECIFICATIONS OR THE PERFORMANCE OR ADEQUACY OF ANY DESIGN OR SPECIFICATION PROVIDED TO POWER AND SIGNAL BY OR ON BEHALF OF CUSTOMER. Use of the customer's part number on this document or on any products is for convenience only and does not constitute any representation by Power and Signal with respect to the performance, specifications, or fitness of any part for any purpose.

4. Power and Signal retains a purchase money security interest in all products sold by Power and Signal to customer, and in the proceeds of any resale of such products, until the purchase price and any other charges due to Power and Signal have been paid in full. Customer agrees to execute any financing statements Power and Signal may request in order to protect Power and Signal's security interest and hereby authorizes Power and Signal to execute and irrevocably appoints Power and Signal its attorney in fact for the execution of such financing statements. Upon any breach by customer of these terms and conditions, Power and Signal will have all rights and remedies of a secured party under the Uniform Commercial Code, which rights and remedies will be cumulative and not exclusive. Customer is responsible for all costs and expenses incurred by Power and Signal in collecting any sums owing by customer (which may include, but are not limited to, collection agency and reasonable attorneys' fees). If Power and Signal incurs costs collecting on any judgment arising out of customer's breach, customer will be responsible for them, and this provision will survive the entry of any such judgment. Power and Signal shall have the right to offset any sum owed by Power and Signal or any Arrow Electronics, Inc. or its subsidiaries to Customer against any sum owed by Customer to Power and Signal or any Arrow Electronics, Inc. or its subsidiaries. All transactions are governed by the laws of the State of New York. The parties waive any right to trial by jury.

5. Products are deemed accepted by customer unless customer notifies Power and Signal in writing within 10 days of delivery of product shortages, damage or defect. No returns may be made for any reason without a Return Authorization Form issued by Power and Signal. If customer refuses to accept tender or delivery of any products or returns any products without authorization from Power and Signal, such products will be held by Power and Signal awaiting customer's instruction for 20 days, after which Power and Signal may deem the products abandoned and dispose of them as it sees fit, without crediting customer's account.

6. Power and Signal will not be liable for any failure or delay in its performance or in the delivery or shipment of products, or for any damages suffered by customer by reason of such failure or delay, when such failure or delay is caused by, or arises in connection with, any fire, flood, accident, riot, earthquake, severe weather, war, governmental interference or embargo, strike, shortage of labor, fuel, power, materials or supplies, delay in delivery by Power and Signal's suppliers or any other cause or causes beyond Power and Signal's reasonable control. Power and Signal reserves the right to cancel without liability any order, the shipment of which is or may be delayed for more than 30 days by reason of any such cause. Power and Signal reserves the right to allocate in its sole discretion among customers or potential customers, or defer or delay the shipment of, any product which is in short supply.

7. All quotations and sales are made only upon these terms and conditions and those on the front of this document. This document, and not any purchase order or other customer document (which, if construed to be an offer is hereby rejected), will be deemed an offer or counter-offer and is a rejection of any other terms or conditions. Customer, by accepting any products, making any payments or ordering any products having previously received these terms and conditions, will be deemed to have assented to these terms and conditions, notwithstanding any terms contained in any prior or later communication from customer and whether or not Power and Signal will specifically or expressly object to any of customer's terms. Power and Signal's failure to object to any document, communication or act of customer will not be deemed a waiver of any of these terms and conditions. Any addition or change to these terms and conditions must be specifically agreed to in writing by a duly authorized officer of Power and Signal before becoming binding on Power and Signal.

8. If customer's order is placed under a contract with the United States Government, Power and Signal agrees to comply with those contract provisions and regulations with which, pursuant to law, it must comply and of which customer has, at the time of order placement, placed Power and Signal on notice. In no event will United States Government Cost Accounting Standards apply. All rights in technical data and software owned or licensed by Power and Signal or the manufacturer are hereby reserved and deemed restricted or limited. No provision of customer's contract with the government will be binding on Power and Signal or the manufacturer except as expressly set forth in this paragraph.

9. Unless specifically otherwise agreed in writing by Power and Signal, customer acknowledges that products sold by Power and Signal are not intended for and will not be used in life support systems, human implantation, nuclear facilities or systems or any other application where product failure could lead to loss of life or catastrophic property damage. Customer will indemnify and hold Power and Signal harmless from any loss, cost or damage resulting from customer's breach of the provisions of this paragraph.

10. Any or all products may be subject to export or resale restriction or regulation, and customer acknowledges that it will comply with such regulations or restrictions. Any or all products may have been imported. Country of origin information is as provided to Power and Signal by its suppliers and is, where applicable, located on the products themselves or the supplier's innermost packaging thereof.

11. Power and Signal certifies that it complies with all applicable requirements of Sections 6, 7 and 15 of the Fair Labor Standards Act, as amended, and of regulations and orders of the United States Department of Labor issued under Section 14 thereof.

12. Except for the warranty coverage referenced in paragraph 3, above, NEITHER POWER AND SIGNAL NOR ITS SUPPLIERS WILL HAVE ANY LIABILITY OR OBLIGATION TO CUSTOMER OR ANY OTHER PERSON FOR ANY CLAIM, LOSS, DAMAGE, OR EXPENSE CAUSED IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, BY THE INADEQUACY OF ANY PRODUCTS FOR ANY PURPOSE, BY ANY DEFICIENCY OR DEFECT IN ANY PRODUCT (WHETHER OR NOT COVERED BY ANY WARRANTY), BY THE USE OR PERFORMANCE OF ANY PRODUCTS OR BY ANY FAILURE OR DELAY IN POWER AND SIGNAL'S PERFORMANCE HEREUNDER, OR FOR ANY SPECIAL, DIRECT, INDIRECT, INCIDENTAL, CONSEQUENTIAL, EXEMPLARY OR PUNITIVE DAMAGES, HOWEVER CAUSED, INCLUDING, WITHOUT LIMITATION, PERSONAL INJURY OR LOSS OF BUSINESS OR PROFIT, WHETHER OR NOT CUSTOMER WILL HAVE INFORMED POWER AND SIGNAL OF THE POSSIBILITY OR LIKELIHOOD OF ANY SUCH DAMAGES.

13. The performance of any value-added service may void the manufacturer's warranty and render products non-returnable. Orders incorporating such services are, accordingly, non-cancelable and the products are non-returnable. Any third party value-added service provider is deemed to be an agent of customer.

14. Any software included in or relating to products is supplied by the manufacturer. Power and Signal makes no representation or warranty with respect thereto and will have no liability in connection therewith. Customer agrees to comply with the manufacturer's or other requirements with regard to proprietary and similar rights in and to such software (including any requirement to enter into a separate license agreement and prohibitions against duplicating or disclosing the same), even if the seal on any "shrink wrapped" software has been broken by Power and Signal, and will indemnify Power and Signal against and hold it harmless from any and all liability, cost or expense arising from a breach or purported breach of such requirements.

15. Power and Signal may assign accounts receivable to a Power and Signal affiliate. In order to defray the cost of customer account administration, any credit balance or other sum owed to customer which remains unclaimed by customer for a period of eighteen months will become the property of Power and Signal.

16. No order may be cancelled, rescheduled or reconfigured without Power and Signal's prior written authorization and, in such event, customer will be liable to Power and Signal for any additional costs and expenses incurred by Power and Signal.

17. Prices are subject to change by Power and Signal upon customer rescheduling or reconfiguration of orders. Prices are also subject to change in response to supplier price increases, whereupon, customer may cancel the undelivered portion of any affected order by delivering written notice to Power and Signal prior to the shipment thereof and within 10 days of its receipt of notice of the price increase.

POWER AND SIGNAL GROUP, a division of Arrow Electronics, Inc.