

ANTAYA TECHNOLOGIES CORP. PURCHASE ORDER TERMS AND CONDITIONS

THIS PURCHASE ORDER SHALL NOT BECOME BINDING UNLESS THE ACCEPTANCE COPY HEREOF HAS BEEN SIGNED BY SELLER AND RETURNED TO ANTAYA TECHNOLOGIES CORP. (HEREAFTER BUYER), EXCEPT THAT SHIPMENT BY SELLER OF ANY GOODS ORDERED HEREUNDER OR DELIVERY TO BUYER OF ANY GOODS ORDERED HEREUNDER SHALL CONSTITUTE ACCEPTANCE BY THE SELLER OF THIS ORDER ACCORDING TO ITS TERMS AND CONDITIONS.

ANY ADDITIONAL OR DIFFERENT TERMS AND CONDITIONS IN SELLER'S ACCEPTANCE OR OTHER RESPONSE HERETO SHALL BE DEEMED OBJECTED TO BY BUYER AND SHALL NOT BE BINDING ON BUYER EXCEPT TERMS OF PAYMENT WHICH PROVIDE FOR DISCOUNTS FOR EARLY PAYMENT. A PURPORTED ACCEPTANCE ON DIFFERENT TERMS AND CONDITIONS SHALL NOT BE AN ACCEPTANCE.

1. MODIFICATION OF AGREEMENT: No modification of this order shall be binding upon Buyer unless made in writing and signed by the authorized representative of Buyer executing this order or his or her successor.

2. SHIPPING DOCUMENTS, INVOICES: The bill of lading or other shipping document for each shipment shall be mailed to Buyer promptly within the day following shipment, accompanied by invoices as hereinafter provided. Seller's invoices shall be dated the date on which the goods are accepted by the transportation company, shall be forwarded to Buyer in triplicate for each separate shipment made against this order and shall show on separate lines the portions of such shipment which correspond to items from separately numbered orders of Buyer. Seller's invoices shall show Buyer's order number and Seller's item code if applicable. All shipments must be accompanied by packing lists showing Buyer's order number, description of material and quantity. Containers owned by Seller to be returned must bear Seller's name. Goods received by Buyer not covered by any invoice may be held at Seller's risk and expense or returned to Seller at Seller's expense.

3. CANCELLATION: Buyer may at its option cancel this order at any time, in whole or in part, by delivery or mailing of written notice thereof to Seller, provided that in such event Buyer shall reimburse Seller for its unrecovered costs resulting from such cancellation.

4. CHARGES: a) Buyer may at any time by written change order make changes in (1) the drawings, designs, and/or specifications applicable to the goods covered by this purchase order, (2) the method of shipment and packing and/or (3) the place of delivery. b) If any such changes cause a variation in the cost of furnishing the goods covered hereby, the price of such goods shall be changed in the same ratio. If any such changes cause an increase or decrease in the time required for performance, a corresponding change shall be made in the delivery date and the order modified in writing accordingly. c) Seller shall not make any changes in the design or composition of any goods ordered hereunder without the prior written approval of Buyer.

5. EXCESS QUANTITIES: Shipments in quantities greater than ordered shall not be accepted unless authorized in writing by Buyer and may be returned at Seller's expense.

6. DELIVERY: Time is of the essence, 100% ON TIME DELIVERY IS REQUIRED. Delivery must be at the place and within the time slated on the face hereof. Buyer may cancel the order if the delivery is not so made. Seller shall not be liable for delay in delivery or failure to perform any agreement hereunder resulting in whole or part from acts of God, fire or other casualties, war or warlike activity, civil commotion, government action, strikes, delays in Seller's source of supply, transportation delays or other causes, whether similar or dissimilar, which are beyond the reasonable control of Seller. Seller shall notify Buyer promptly as soon as it knows or has reason to believe that any delays in the delivery called for herein may occur. In the event of a failure by Seller to perform hereunder arising from any of the causes or events set forth in the preceding sentence, Buyer shall be entitled to obtain elsewhere goods covered by this order for the duration of such failure and to reduce the quantity of goods ordered from Seller under this order without any obligation on Buyer's part with regard to such goods. Except to the extent Seller is notified by Buyer pursuant to the preceding sentence of Buyer's reduction in the amount of goods ordered under this order, delivery of less than all of the goods ordered shall not relieve Seller of its obligation to deliver all of the goods hereunder.

7. PRICE: If price is not shown on this order, Seller agrees to sell at no higher price than that at which the item or items were last sold or at the lowest prevailing market price, whichever is lower, unless Buyer has been notified and has agreed to a different price. If at any time during the pendency of this order, lower net prices are quoted to any person or party for similar items, such lower net prices shall be substituted for the prices contained herein from the time of the lower quotation. Seller agrees to list separately on the invoice any applicable sales, use, turnover, purchase, luxury or similar taxes, customs duties or charges, and the amount of such items will be considered as included in the total price shown on such invoice. No charge shall be allowed by Buyer for packing or crating unless specified herein. Deposit charges for

containers owned by and to be returned to Seller must be separately shown on packing slips and invoices.

8. TERMS OF PAYMENT: Invoices allowing discount for prepayment shall state clearly the terms and conditions of such discount. All such terms and conditions shall be accepted by Buyer and shall be considered part of the terms and conditions hereof.

9. WARRANTIES: REJECTION OF NON-CONFORMING GOODS: Seller warrants that goods furnished will meet Buyer's specifications therefor or, in absence of specifications, will conform to Seller's samples approved by Buyer prior to placement of order, and will be merchantable and fit for the Buyer's purpose. Payment of invoices shall not be deemed an acceptance by Buyer of goods hereunder. Buyer may reject at any time all goods that do not conform either to specifications patently or latently or if none have been specified, to specifications standard in the industry. Upon receipt of defective goods, Buyer may cancel any undelivered portion of the order. Buyer may return at Seller's expense within 90 days after delivery of any goods with patent defects or which are patently non-conforming for credit or replacement at the price charged. Buyer, at its option and without notice to Seller, may retain and repair such goods and deduct the cost of such repairs, including factory overhead at its standard rate, from the purchase price thereunder, or if Buyer has already paid, Seller will reimburse Buyer on demand for all such costs. Buyer may return, at any time and at Seller's expense, any goods with latent defects, or may make such repairs thereon as may be required upon discovery of such latent defects and recover from Seller the costs of such repairs in accordance with the preceding sentence. The foregoing shall not be in limitation of any rights which Buyer may have at law or in equity by reason of any breach of warranty, express or implied.

10. VERIFICATION OF SUBCONTRACTED PRODUCT: SELLER AGREES TO ALLOW ON PREMISE VERIFICATION THAT PURCHASED PRODUCT CONFORMS TO SPECIFIED REQUIREMENTS BY BUYER OR ITS CUSTOMER AS REQUIRED.

11. INDEMNIFICATION: Seller agrees to indemnify and save harmless Buyer, its divisions and/or subsidiaries and successors, assigns, customers and agents from and against all claims, suits, damages, costs, losses and expenses in any manner resulting from or arising out of any goods purchased hereunder.

12. GOVERNMENTAL REGULATIONS: Seller warrants that all goods ordered hereunder conform to all applicable Federal, State, and local law regulations, including all labeling requirements. All invoices must bear a certification that the goods covered thereby have been produced in accordance with all such laws and regulations, including but not limited to the Fair Labor Standards Act of 1938, as any of such laws and regulations are from time to time in effect. Seller agrees to comply with all currently effective price controls and priorities laws and regulations, if any.

13. BUYER'S DESIGN RIGHTS AND TOOLS: Where goods hereunder are made from designs, documents or data furnished by Buyer or prepared at Buyer's direction (unless such designs, documents or data are entirely of standard items made and are furnished by Seller to the trade), said designs, documents or data shall be considered the exclusive property of Buyer and shall be kept confidential. All such designs, documents or data and all tools, dies, molds, jigs, fixtures, patterns, machinery, special test equipment, special taps and gauges which have been furnished or paid for by, or charged against Buyer (herein collectively called "items") will be delivered to Buyer immediately upon request at such place as Buyer shall designate. Freight cost of the items to and from Seller's plant will be borne by Buyer. Seller agrees that it will (i) not furnish any item, or goods made therefrom to anyone else or use them for the production of any materials or parts other than for Buyer without Buyer's prior written consent, (ii) maintain, repair (at its own expense) and return the items in good condition (normal wear and tear excepted), (iii) furnish Buyer no less than once every 12 months a written statement specifying the type, serial number or other identifying mark, condition and location of each item, and (iv) pay the replacement cost to Buyer of any item which becomes lost, damaged (to the point of not being fit for its original purpose) or destroyed before delivery of said item is made to Buyer or its agent.

14. CANCELLATION ON ACCOUNT OF INSOLVENCY: Either party shall have the right to cancel this order in the event that the other party becomes bankrupt or insolvent, makes an assignment for benefit of creditors, or invokes or has invoked against any federal or state law relating to relief of debtors or creditors rights.

15. NON-ASSIGNMENT: Seller shall not assign or subcontract this order without Buyer's prior written consent.

16. NO WAIVER OF RIGHTS: Any waiver of any provision of this order shall not constitute a waiver of any continuing or succeeding breach of such provision, a waiver, or modification of the provision itself or of any other rights arising under this order.

17. GOVERNING LAW: The validity, interpretation and enforceability of this order shall be governed in all respects by the laws of the State of Rhode Island.

18. REMEDIES. In addition to the other terms in this purchase order, this purchase order expressly includes all implied warranties and all of the buyer's remedies set forth in the Uniform Commercial Code. In the event of any dispute between the parties, such dispute will be settled exclusively in a court of law in the State of Rhode Island. The terms of this purchase order are the sole and exclusive terms on which the buyer agrees to be bound.