

JTech Solutions, Inc. Standard Terms and Conditions of Sale, and Warranty

THESE TERMS CONTROL. Buyer's acceptance of goods and/or services shall constitute acceptance of these terms and conditions. Terms or provisions of Buyer's order that are inconsistent with or in addition to JTech Solutions, Inc.'s (herein after called JTS) Standard Terms and Conditions of Sale shall not be binding unless accepted in writing by JTS. JTS's failure to object to any provision contained in a communication from Buyer shall not be deemed acceptance of such terms and conditions. If any terms or conditions of sale are declared by an arbitrator, court, or other body having jurisdiction, to be invalid or unenforceable, the remaining terms and provisions shall remain in full force and effect. This transaction shall be governed by the laws of the State of California, U.S.A.

DELIVERY AND RISK OF LOSS. Domestic delivery shall be F.O.B. destination, freight and insurance prepaid and added unless agreed to in writing by JTS. Title and risk of loss shall pass to Buyer when products are delivered to the destination unless otherwise agreed to in writing by JTS. No order is assignable without JTS's prior written approval.

PAYMENT. 100% of the invoiced amount is due in U.S. Dollars within 30 days from date of invoice on approved credit, unless otherwise stated in writing by JTS. Late payments are subject to 2% interest per month on the unpaid balance. Prices exclude any tax or duty now or hereafter imposed upon the production, storage, sale, transportation, or use of the products.

FOR INTERNATIONAL SALES, the following payment terms may be required:

Letter of Credit - Payment shall be made by an Irrevocable Letter of Credit issued in favor of JTS, as beneficiary, to be advised, confirmed and payable at the counters of the U.S. negotiating bank. The Letter of Credit must be opened 60 days prior to the acknowledged ship date with validity held 45 days past such date and must be payable at sight in US Dollars for 100% of the amount invoiced. Transshipment and partial shipments shall be allowed. The Letter of Credit shall state that all associated fees be paid by the Buyer.

Documentary Collection - All documents permitting usual clearance will be forwarded to the draft processing bank at destination.

Cash in Advance - Payment may be by wire transfer to JTS. Payment must include estimated shipping and transportation services charges, unless shipped freight collect. Overpayment of such charges shall be refunded.

CANCELLATION. Orders may not be cancelled or rescheduled without JTS's written consent and are subject to cancellation or reschedule charges as determined by JTS. In the event the Buyer cancels a custom designed product, the Buyer may be subject to a percentage of the price reflecting the percentage of work performed prior to the cancellation, plus any reasonable charges resulting from the cancellation. The sum of these charges shall not exceed the original agreed upon price.

EXCUSABLE DELAYS. JTS shall not be liable for non-delivery or delay in performance when such delay is directly or indirectly caused by, or in any manner arises from, delay or failure to deliver by JTS's suppliers, fires, floods, accidents, riots, war, governmental interference or embargoes, strikes or shortage of labor, or other causes (whether or not similar to those specified) beyond its control. Delivery shall be deemed suspended so long as such causes delay performance. JTS agrees to make, and Buyer will accept, deliveries at a reasonable time after remedy of such causes. Quoted weeks ARO are approximate.

DESIGN CHANGES. JTS and its suppliers reserve the right to change product design or specifications for standard or catalog products at any time without notice.

WARRANTY AND LIMITATION OF LIABILITY. JTS products are warranted by the original manufacturer to be free from defects in material and workmanship under normal use and service, for the period of time specified in and otherwise described by the documents furnished with each product. Unless otherwise noted the warranty period is one (1) year. Warranty period begins on begins on the date of shipment *ex works*.

NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THIS AGREEMENT, NEITHER JTS NOR ITS AFFILIATES SHALL, UNDER ANY CIRCUMSTANCES, BE LIABLE FOR ANY CLAIM OR FOR ANY CONSEQUENTIAL, INCIDENTAL, INDIRECT, PUNITIVE, EXEMPLARY OR SPECIAL DAMAGES OF ANY NATURE WHATSOEVER, OR FOR ANY DAMAGES ARISING OUT OF OR IN CONNECTION WITH ANY MALFUNCTIONS, DELAYS, LOSS OF DATA, LOSS OF PROFIT, INTERRUPTION OF SERVICE, OR LOSS OF BUSINESS OR ANTICIPATORY PROFITS, EVEN IF A PARTY OR ITS AFFILIATES HAVE BEEN APPRISED OF THE LIKELIHOOD OF SUCH DAMAGES OCCURRING. No action, regardless of form, arising out of this Agreement may be brought by either party more than 1 year after delivery of the products called for under this order. This warranty (including the manufacturer's warranty) is the Buyer's sole and exclusive remedy and is in lieu of all other warranties, implied or expressed.

DISPUTE RESOLUTION. Any dispute arising from or connected with the parties' agreement shall be resolved by mandatory binding arbitration by a single arbitrator, before JAMS or ADRS, and the prevailing party shall be entitled to an award of costs and reasonable attorney fees.