

1. SCOPE

These terms and conditions of sale apply to all quotations made and purchase orders entered into by Cambridge Technologies, (Seller). Acceptance of the Buyer's order is made only on the express understanding and condition that if these terms and conditions conflict with any terms and conditions of the Buyer's order, these terms and conditions prevail, irrespective of whether the Buyer accepts these conditions by a written acknowledgment, by implication, or acceptance and payment of goods ordered. The Seller's failure to object to provisions contained in any communication from the Buyer will not be deemed a waiver of the provisions of these terms and conditions. No change in these terms and conditions is binding on the Seller unless made in writing and signed by a duly authorised representative of the Seller. The Seller is not bound by any communication from the Buyer which attempts to impose on the Seller any obligations or conditions which are different from, or addition to, these terms and conditions. The Buyer's acceptance of this order is limited to these terms and conditions.

2. PAYMENT TERMS

Unless the Buyer has made previous credit arrangements satisfactory to the Seller, payment is due net thirty (30) days from the invoice date. Payment for orders accepted on other terms are due in strict accordance with the terms quoted. Past due invoices are subject to interest pursuant to section 2 of the Penalty Interest Rates Act, 1984 (Vic). The Seller reserves the right, at its sole discretion, to modify or withdraw credit terms offered to the Buyer at any time and to require security of payment in advance if the Seller, in its discretion, believes that Buyer will not satisfactorily perform its obligations hereunder or that Buyer's credit is impaired. If the Buyer fails to make timely payment of any amount invoiced, the Seller has the right, in addition to any and all other rights and remedies available at law or in equity, to immediately revoke any or all credit extended, or to delay or cancel future deliveries. The Buyer is responsible to the Seller for all reasonable legal fees, court costs, and mercantile agency fees incurred by the Seller should the Buyer default on payment. Despite the delivery of the goods to the Buyer's premises, title to and ownership of the goods remains with the Seller until payment in full for the goods is made by the Buyer to the Seller. The Buyer must store or mark the goods in such a fashion that they are clearly identified as the property of the Seller.

3. SHIPMENT SCHEDULE

Shipping promises or delivery promises are approximate. The Seller reserves the right to consider the total order and each delivery complete subject to a tolerance of minus ten percent (10%) of the quantity ordered, unless otherwise agreed in writing. Goods shipped in excess of quantity ordered may only be returned if the amount returned exceeds one hundred and ten percent (110%) of the quantity ordered. In the event that the amount received falls within plus or minus the ten percent (10%) tolerance, the Buyer must pay for the amount actually delivered. The Schedule reflects the Seller's best estimates, in accordance with the Buyer's requirements, and every effort will be made to meet the Schedule barring delays which the Seller could not reasonably foresee at the time of establishment of the Schedule. The Seller assumes no liability, consequential or otherwise, resulting from failure to meet the Schedule. In the event of delay in delivery or failure to manufacture, the Seller is not be required to pay premium freight charges.

4. TAXES

The prices quoted herein are subject to any addition which may be necessary to cover any tax or charge now existing or hereafter imposed by Commonwealth or State, authorities on material or services, or the production, sale, storage, distribution or delivery thereof, or on any aspect of this transaction. Prices quoted are exclusive of taxes. All prices or other sums payable or consideration to be provided in connection with these terms and conditions are exclusive of any GST. Terms and conditions used in this clause which are defined in the GST Act have the same meaning given to those terms and expressions in that Act. If the Seller becomes liable to pay any GST in relation to any supply made by it under these terms and conditions, the distributor must pay to the Seller an additional amount equal to the GST payable on or for the supply. The Seller must deliver to the Buyer a valid tax invoice in respect of the supply at or before the time of payment. Payment of the additional amount must be made at the same time as payment for the supply.

FOREIGN SALES

The Buyer is responsible for the entry of products into foreign countries in addition to the payment of import clearance

costs, customs duties, fees, and foreign taxes (i.e. GST and VAT) unless otherwise agreed to in writing by the Seller in advance.

5. PATENTS & TRADEMARKS

The Buyer will hold the Seller harmless against any expense or loss resulting from infringement of patents or trademarks arising from compliance with the Buyer's designs or specifications or instructions. The Seller is not liable for any infringement of any patent where the infringement arises solely from use of the products with other devices or elements. With respect to all other items for which the Buyer furnishes the design as specifications, the Buyer agrees to defend, indemnify and hold the Seller harmless from all legal expenses which may be incurred by, and all damages and costs which may be assessed against the Seller in any action for infringement of any Australian law by such items sold hereunder. The Seller will promptly inform the Buyer of any such claims made against the Seller, and the Seller will co-operate with the Buyer in every reasonable way to facilitate the defence of any such claim.

6. LIMITED RIGHTS

The Buyer under this contract, does not acquire any rights to technical data, detailed design data or detailed manufacturing or process data items delivered under these terms and conditions including proprietary and/or patented technology or devices. The Buyer must not analyse, evaluate, or reverse engineer to determine the composition, formulation, or method of manufacture of any devices or hardware delivered under these terms and conditions, nor authorise others to do so. The Buyer may not assign its rights or obligations with respect to this sale or to any person or entity without first obtaining the written consent of the Seller.

7. PROCEDURES AND CLAIMS

7.1 The Seller will not accept return of any goods, unless authorised in writing prior to shipment.

7.2 Granting the Buyer the authority to return goods will not be construed to signify the acceptance of the goods themselves or of the Buyer's claim but will only signify authority to physically return the goods so that they may be inspected, and so that proper disposition of the Buyer's claim may be made after such inspection.

7.3 The Seller reserves the right to return goods to the Buyer, after such inspection, with no credit to the Buyer, and with the Buyer to bear the transportation charges.

7.4 The maximum time lag between the original shipment of the goods and the request for authority to return goods by the Buyer is forty five (45) days, unless a specific exception is authorised by the Seller's Sales Manager. The maximum time lag for latent defects will be one (1) year unless a specific exception is authorised by the Seller's sales manager.

9.5 No replacement orders will be processed until final disposition has been made for the returned goods by the Seller's quality assurance department.

9.6 No credit will be given or accounting entry made until final quality assurance disposition has been made.

9.7 A restocking fee will be applied to all goods returned for credit unless the return is the result of an error by the Seller.

8. WARRANTY

The Seller undertakes that goods sold hereunder to the Buyer are free from defects in material and workmanship and conforms to specifications subject to the forty five (45) day notice period set forth in this paragraph 8. No other express warranty is given and no affirmation of the Seller by words or action constitutes a warranty. There are no warranties which extend beyond the description hereof. The remedies of the Buyer and the Seller provided in these terms and conditions are the exclusive and sole remedies of the parties. On receipt of written authorisation and definite shipping instructions from Seller, the Buyer must return all defective goods, or goods not conforming to specifications, to the Seller, after inspection by the Seller, or at the Seller's election, subject to inspection by the Seller. Goods can be returned only on written authorisation of seller and must be returned within sixty (60) days of receipt of such authorisation and of definite shipping instructions from the Seller in the same condition as when received by the Buyer. Defective goods or goods not conforming to specifications, which is so returned will be replaced or repaired by the Seller without any additional charge, or, in lieu of such replacement or repair. The Seller may refund

the purchase price applicable to such material. The Seller agrees to pay return transportation charges not exceeding those which would normally apply from the original destination on all defective goods or goods not meeting specifications. However, the Seller is not obligated for such charges when goods returned prove to be free from defects and meets specifications. The Seller will and hold goods that prove to be free from defects and meets specifications for shipping instructions and the Buyer must furnish such instructions promptly on request. The Seller's liability is limited solely to the replacement or repair or to refunding the purchase price applicable to defective material or material not meeting specifications. The Seller is not liable for any consequential damages nor for loss, damages or expenses directly or indirectly arising from the use of the goods including warehousing, labour, handling and service charges not expressly authorised by the Seller. Anything herein to the contrary despite, goods purchased or obtained by sale from other manufacturers are warranted only to the extent of the original manufacturer's express warranty to the Seller. Goods sold by the Seller will not be considered defective or non-conforming to the Buyers' order if they:

8.1 Satisfactorily fulfil the performance requirements that were:

8.1.1 provided by the Buyer to the Seller ; or

8.1.2 as published in the Seller's product specification literature, or

8.2 In accordance with any written or verbal agreement between the Buyer and the Seller,;or

8.3 Are in accordance with samples approved by the Buyer.

This warranty does not apply to any goods or parts thereof which have been subjected to accident, negligence, alteration, abuse, or misuse. Also, disassembly of any Seller's goods by anyone other than an authorised representative of Seller voids this warranty in its entirety. The Seller's aggregate liability in damages or otherwise will not exceed the payment, if any, received by the Seller for the goods furnished or to be furnished, as the case may be, which is the subject of a claim or dispute and in no event is the Seller liable for incidental, consequential, or special damages, howsoever caused. The Seller warrants only that all goods manufactured by it (but not by others) are within the Seller's standard limits of tolerance and variations or such limits of tolerance and variations as the Buyer and the Seller may agree on in writing. The Seller, in full satisfaction of its liability hereunder to the Buyer, may replace or repair any material covered by this warranty which is returned by the Buyer, transportation charges prepaid and which examination proves not to be within the aforesaid limits of tolerances and variations. The Seller's liability for damages, expenses or costs of any kind is limited to the value of the goods sold hereunder. The Seller is not liable for any repair or replacement of material covered by this warranty except those made with the Seller's prior written consent. The Seller is only liable for breach of this warranty if it receives written notice of a breach within forty-five (45) days from the date of shipment of the goods to which the breach relates. The Seller makes no warranties regarding goods manufactured by it or by others including without limitation warranties as to merchantability, fitness for a particular purpose or warranties against infringement of any patent, either express or implied, except as provided above.

9. PRICING

The Seller reserves the right to adjust pricing on the Buyer's orders with scheduled deliveries exceeding one hundred and twenty (120) days.

10. TITLE - F.O.B. POINT:

All sales are made F.O.B. point of shipment. In the absence of written agreement to the contrary, the means of packaging, shipment, or delivery of goods is at the discretion of the Seller. The Buyer assumes all risk for loss or damage on delivery by the Seller of goods to carrier in good condition at F.O.B. point. The Buyer is responsible for making any claim against carriers for any loss, and for any damage, visible or concealed to goods while in transit. Any such loss or damage does not relieve the Buyer of any obligations hereunder. Any claims for loss or damage after risk of loss has passed as herein provided must be filed with the carrier. Goods held or stored for the Buyer are at the risk and expense of the Buyer. If at the request of the Buyer, shipments are postponed more than thirty (30) days, the amount due thereon will become due thirty (30) days after notice that the items are ready for shipment. The Seller is not liable for loss or damage for delay in delivery or failure to manufacture due to causes beyond its reasonable control.

11. TITLE

Unless otherwise specified in writing, the Seller retains title to and possession of any models, patterns, dies, moulds, jigs, fixtures, and tools made for or obtained for use in connection with these terms and conditions.

12. MODIFICATIONS

Unless controlled by the Buyer's specifications, the Seller reserves the right to modify specifications of goods ordered by the Buyer herein providing that the modification will not materially affect form, fit or function.

13. APPLICABLE LAW AND JURISDICTION AND VENUE

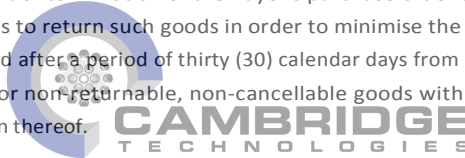
If any part of the terms and conditions stated herein are held void or unenforceable, such part will be treated as severable, leaving valid the remainder of the terms and conditions notwithstanding the part or parts found void or unenforceable.

14. TERMINATION, CANCELLATION AND REDUCTION

No order accepted by the Seller may be terminated, cancelled or reduced by the Buyer except by mutual agreement of the Buyer and the Seller. The Buyer agrees that in the event the Seller agrees to allow complete or partial cancellation the Buyer must pay a twenty percent (20%) cancellation fee computed on the amount of the order cancelled, and the price paid for the portion of the order accepted by Buyer will be adjusted upward to offset any quantity discounts which were previously given based on the size of the order.

15. NON-RETURNABLE, NON-CANCELABLE GOODS

In any event, the Buyer will assume full financial liability for all goods purchased by the Seller to comply with the Buyer's purchase order. The Seller identifies all goods as non-returnable or non-cancellable unless otherwise agreed to in writing by the Seller. In the event of termination of the Buyer's purchase order to the Seller, the Seller will make commercially reasonable efforts to return such goods in order to minimise the Buyer's financial liability. The Seller's efforts are considered completed after a period of thirty (30) calendar days from date of cancellation. The Buyer will provide payment to the Seller for non-returnable, non-cancellable goods within sixty (60) days of cancellation of the Buyer's purchase order or portion thereof.



16. CORRECTIONS:

The Seller reserves the right to correct all typographical or clerical errors, which may be present in the prices or specifications contained herein.

17. EXCLUSIONS STATEMENT

This order, including the terms and conditions, constitutes the final, complete and exclusive statement of representations made by the Seller and the Seller is not bound by any representation, promise or inducement of any kind unless set forth herein, nor is it be bound as to any representations made herein.