

(revised 12.1.07)  
**SHORT FORM - PRODUCTS  
STANDARD TERMS AND CONDITIONS**

**1. DEFINITIONS.**

**1.1 Purchase Order.** Shall mean the Purchase Order subject to these terms and conditions for the Products which are placed by WaferTech, LLC, a Delaware Limited Liability Company, qualified to do business in the State of Washington ("WaferTech") with Seller.

**1.2 Products.** The words used herein refer to the Products supplied by Seller to WaferTech, no matter whether before or after the effective date of the Purchase Order.

**1.3 Specification.** Shall mean the functional and technical specifications, drawings and quality requirements, if any, referred to in the Purchase Order and in such other documents and amendments as the parties hereto may agree upon in writing. In the event there is a specification conflict with Seller's proposal or Seller's quotation, WaferTech's interpretation shall control.

**2. ACCEPTANCE.** The terms and conditions set forth herein, as may be modified or supplemented by the provisions on the face of the Purchase Order, become the exclusive and binding agreement between the parties (the "Agreement") covering the purchase of the Products ordered herein when the Purchase Order is accepted by either acknowledgment or commencement of performance.

**3. PRICE.** The prices and fees to be paid by WaferTech to Seller are based on the Seller's written quotation and are detailed in the Purchase Order and/or specification.

**4. TAXES.** Federal, state or local taxes of any nature which are billed to WaferTech shall be stated separately in Seller's invoices. Pursuant to the Sales and Use Tax Deferral Certificate issued by the State of Washington Department of Revenue, WaferTech may defer payment of Washington sales and use taxes for any purchase incurred in connection with an Eligible Investment Project.

**5. PAYMENT TERMS.** Unless otherwise specified in this order, payment for Products shall be net thirty (30) days from the later of the receipt of Products or receipt of invoice. The beginning of any applicable cash discount period shall commence upon the later of receipt of Products or receipt of invoice. WaferTech reserves the right to reject any invoice not received within six months of the date of the receipt of Products.

**6. DELIVERY TERMS. TIMELY DELIVERY OF SHIPMENT OF THE PRODUCTS UNDER EACH INDIVIDUAL PURCHASE ORDER, 100% OF THE TIME, IS OF THE ESSENCE.** Seller shall deliver the Products in accordance with the time schedule(s) set forth in each individual Purchase Order. Seller shall notify WaferTech thirty (30) days before shipment regarding the delivery status. Any partial, early, or delayed deliveries shall be approved in writing, in advance by the WaferTech buyer.

**7. WARRANTY.** Seller warrants the Products for a period of eighteen (18) months starting on the date of acceptance. The warranty shall include labor and parts for the Products or Services as well as labor and parts for any other Products or equipment damaged in whole or in part as a result of a breach of this Warranty provision. These warranties shall be in addition to any other warranties, express, implied, or statutory.

**8. GRATUITIES.** WaferTech prohibits its employees from using their official position for personal financial gain, or from accepting any personal advantage from anyone under circumstances which might reasonably be interpreted as an attempt to influence the recipients in the conduct of their official duties. Seller and its employees shall not, under circumstances which might reasonably be interpreted as an attempt to influence the recipients in the conduct of their duties, extend any gratuity or special favor to employees of WaferTech.

**9. SAFETY REQUIREMENTS.** The Products (equipment or system) and its performance will satisfy mandatory state, federal and/or local regulations relating to health, safety, the environment and electromagnetic interference, valid in the country for which the equipment is destined if this destination was made known to Seller or was otherwise reasonably known to it.

**10. INDEMNIFICATION.** Seller shall indemnify and hold WaferTech harmless from and against any suits, liabilities, losses, damages, claims, causes of actions and expenses (including attorney's fees) arising out of or connected with any act or omission of Seller, its agents, employees or subcontractors or a breach by Seller of these terms and conditions. This indemnification shall be in addition to the warranty obligations of Seller.

**11. TERMINATION.** WaferTech may terminate all or any part of the Agreement at any time without cause by facsimile or other written notice to Seller, and an equitable adjustment shall be made to the Agreement provided that any termination claim must be submitted to WaferTech within thirty (30) days after the effective date of termination.

**12. PUBLICITY.** Seller shall not, without first obtaining the written consent of WaferTech, in any manner whatsoever, advertise or publish the fact that Seller has furnished or contracted to furnish to WaferTech the Products or Services covered by this Purchase Order Agreement.

**13. INDEPENDENT CONTRACTOR.** Nothing in this Purchase Order Agreement shall be deemed to represent that Seller, or any of Seller's employees or agents, are the agents, representatives or employees of WaferTech. Seller shall be an independent contractor and shall have responsibility for and control over the details and means for performing the Work, provided that Seller is in compliance with the terms of this Purchase Order Agreement.

**14. ASSIGNMENT.** Neither this Purchase Order Agreement nor any interest under it shall be assignable by Seller, voluntarily or involuntarily or by operation of law, nor shall a subcontract be made with, nor other delegation of duties made to any other party for the furnishing of any of the completed or substantially completed goods, spare parts, or work covered by this Purchase Order Agreement without

WaferTech's prior written consent, which consent may be withheld in WaferTech's sole discretion.

**15. CONFLICT IN FORMS.** In the event of a conflict between the terms set forth herein and any supplemental contract documents, the terms set forth herein shall govern. Such terms and conditions shall not be modified or amended except by a writing signed by an authorized representative of each party. The preprinted terms and conditions appearing on any of Seller's purchase orders or other form order documents shall be null and void.

**16. COMPLIANCE WITH LAWS.** Seller shall, to the best of its knowledge comply with all applicable federal, state and local laws, government orders, and WaferTech's company policies to the extent that Seller is provided notice, including but not limited to WaferTech's Hazardous Substance Free Policy, which prohibits the use of lead, mercury, cadmium, hexavalent chromium, poly-brominated biphenyls (PBB) and poly-brominated diphenyl ethers (PBDE) at WaferTech without WaferTech's express written approval, in performing its obligations under this Agreement.

**17. ENTIRE AGREEMENT.** This Purchase Order Agreement constitutes the entire agreement between the parties hereto, supersedes any and all prior understandings with regard to the subject matter, whether oral or written, and it may not be released, discharged, changed or modified except by an instrument in writing signed by a duly authorized representative of each party. The invalidity, in whole or part, of any article or paragraph hereof shall not affect the validity of the remainder of such article or paragraph or of any agreement resulting therefrom.

**18. WAIVER.** Failure by any party hereto to enforce any provisions of this Purchase Order Agreement or any rights hereunder, or failure to exercise any election provided for herein, shall in no way be considered a waiver of such provisions, rights or elections, or in any way affect the party's right to later enforce or exercise the same or other provisions, rights, or elections it may have under this Purchase Order Agreement.

**19. GOVERNING LAW.** This Purchase Order Agreement shall be considered to have been constructed by and be governed in accordance with the laws of the State of Washington, excluding its principles of conflicts of laws. The United Nations Convention on the International Sale of Goods (the Vienna Convention) is deemed waived and shall not apply.

**20. HEADINGS AND CAPTIONS.** Headings, Captions and titles of Articles, Sections, paragraphs or other subparts of this Purchase Agreement are for convenience of reference only and shall not be considered in interpreting the text of this Agreement.

**21. SURVIVAL.** This provisions of this Purchase Order Agreement which by their nature are intended to survive the termination, cancellation, completion or expiration of the Agreement shall continue as valid and enforceable obligations of the parties notwithstanding any such termination, cancellation, completion or expiration.

**22. RISK OF LOSS.** Seller shall bear all risk of loss until delivery of the Products to, and acceptance in good condition by, WaferTech.

**23. AUDITS.**

**23.1 FINANCIAL.** WaferTech shall have the right during performance of the Purchase Order Agreement and for a period of two (2) years after final payment, at such reasonable times and places as WaferTech may designate, to audit, copy or inspect, or cause to have audited, copied or inspected, Seller's books, records and accounts pertaining to the Products or Services provided by Seller under this Purchase Order Agreement, including computerized data files and programs using computer equipment under Seller's supervision or control, to verify all direct charges, expenses and disbursements invoiced to WaferTech under this Agreement for a unit price, a reimbursable price or otherwise authorized in writing by WaferTech for performance on a reimbursable basis. WaferTech's right of examination shall extend to any subcontract, and Seller agrees to include such provision in each subcontract. WaferTech reserves the right to recover any overbilling amounts the audit reveals has occurred under this Purchase Order Agreement and Seller shall promptly remit payment of such overcharges to WaferTech upon written demand therefor accompanied by a copy of the audit report.

**23.2 QUALITY.** WaferTech, and WaferTech's customers, shall have the right during performance of the Purchase Order Agreement to audit the Seller's and their Suppliers' operational systems related to product or service supplied to ensure their systems comply with WaferTech's and WaferTech's customers Quality Requirements. WaferTech requires that the Seller's operational systems be compliant with or in the process of becoming compliant with WaferTech's Quality Requirements. WaferTech and WaferTech's customers shall also have the right during performance of the Purchase Order Agreement to conduct Just in Time Material Inspections and audits for verifying proper Inventory Control systems.

**24. BINDING EFFECT.** These Terms and Conditions constitute a part of the Purchase Order Agreement between the parties hereto and shall be binding upon and shall inure to the benefit of the Parties hereto, their successors and assigns.