

ALL SALES ARE SUBJECT TO THE FOLLOWING TERMS AND CONDITIONS:

AGREEMENT: The terms and conditions set forth herein govern all sales of products and/or services ("Products") manufactured and sold by NovaSignal to a purchaser of Products (a "Buyer") regardless of whether Buyer purchases Products through the medium of a written distributor or sales agreement (a "Sales Contract"), or through written purchase orders, electronic orders, verbal or written quotations, or any other writings or communications from NovaSignal and/or Buyer relating to the Products (collectively or individually, an "Order"). "Sales Terms" refers to these terms and conditions as amended from time to time. NovaSignal acceptance of any Order is expressly subject to Buyer's assent to each and all of the terms and conditions set forth in these Sales Terms. Buyer's assent to these Sales Terms shall be conclusively presumed from Buyer's failure to submit written objection thereto, or from Buyer's acceptance of all or any part of the Products ordered.

ORDER OF PRECEDENCE: No addition to or modification of these terms and conditions will be binding upon NovaSignal unless specifically agreed to by NovaSignal in writing. If the Order or other correspondence contains terms or conditions contrary to or in addition to the terms and conditions contained in these Sales Terms, acceptance of any Order by NovaSignal will not be construed as assent to such contrary or additional terms and conditions, or constitute a waiver by NovaSignal of any of the terms and conditions contained herein. In case of conflict with the Order, Sales Contract or any other document, these Sales Terms will control. Any reference to the Buyer's purchase order or any other documents by NovaSignal will not affect or limit the applicability of the terms and conditions contained in these Sales Terms.

PRICE: NovaSignal reserves the right to revise prices at any time without notice. Customer contract pricing is subject to the terms of the specific Order or Sales Contract in which the contract pricing is contained. Unless otherwise specified (a) all prices, quotations, shipments and deliveries by NovaSignal are Ex-Works (EXW) NovaSignal designated facility, location as set forth in the applicable Sales Contract or Order, freight prepaid and added to the invoice; (b) all Orders accepted are subject to NovaSignal's price in effect at the time of shipment; and (c) all transportation and other charges are for the account of Buyer, including any increase or decrease in such charges prior to shipment. Orders are not binding upon NovaSignal until accepted in writing by NovaSignal. Any quotations given by NovaSignal will be valid for the period stated on the quotation.

TAXES: Any tax which NovaSignal may be required to pay or collect through assessment or otherwise under any existing or future law upon or with respect to the sale, purchase, delivery, transportation, storage, processing, use or consumption of any Products described herein, including without limitation, any manufacturer's tax, occupation tax, use tax, sales tax, excise tax, duty, custom, inspection or testing fee, or any other taxes, fees, interest or charges imposed by a governmental authority upon or measured by receipts from sales, shall be for the account of Buyer and shall be in addition to the price of such Products. Buyer shall promptly pay the amount thereof to NovaSignal upon demand but may, in lieu of such payment, furnish tax exemption certificates acceptable to the appropriate taxing authorities to NovaSignal. In the event NovaSignal is required to pay any such taxes and other charges, Buyer shall immediately reimburse NovaSignal therefor.

PAYMENT TERMS: Except as otherwise set forth in the applicable Sales Contract or Order, Payment terms are Net 30 Days from invoice date to the date payment is postmarked (excluding C.O.D. and Visa/MC/American Express orders). If Buyer has an open credit memo on its account, it should be used to reduce Buyer's next payment. Buyer should note which invoices and credit memos are being used on a payment to help NovaSignal maintain Buyer's account accurately. Credit memos expire one year from the original date. Any discrepancy in an invoiced price and corresponding Order or Sales Contract price must be reported to NovaSignal Customer Care within 30 days of the date of the invoice. If Buyer fails to make payments on any Order or Sales Contract between Buyer and NovaSignal in accordance with NovaSignal's terms, NovaSignal, in addition to any other remedies available to it, may at its option (a) defer further shipment until such payments are made and satisfactory credit arrangements are reestablished; or (b) cancel the unshipped balance of any Order. Any amounts that are not paid when due shall bear interest from the date payment was due until the date payment is received by NovaSignal, at a rate of interest equal to the lower of (i) 1.5% per month or (ii) the highest rate of interest permitted under applicable law. Buyer will be responsible for all costs of collection of unpaid invoices, including reasonable attorney's fees.

CREDIT: All Orders are subject to the approval of NovaSignal's Finance Department. NovaSignal may at any time refuse to make shipment or delivery if Buyer fails to fulfill the terms and conditions of payment or fails to provide security in compliance with NovaSignal's credit policies. NovaSignal policies or practices may be changed at any time. NovaSignal may require payment in full or other security in advance. Without limiting the generality of the foregoing, if Buyer becomes the subject of a bankruptcy or other insolvency proceeding, or fails to pay NovaSignal's invoices as they become due, NovaSignal reserves the right to: (a) cancel all or any part of a Sales Contract or Order; (b) modify the terms of payment prior to shipment; (c) require "Cash in Advance" terms; or (d) delay or cancel any Product shipment.

REPORTING: To the extent that any discounts and/or rebates are issued by NovaSignal and received by Buyer with respect to Products under these Sales Terms, such discounts and/or rebates may be considered "discounts or other reductions in price" as such terms are defined under the federal Anti-Kickback Statute (42 U.S.C. § 1320a-7b). NovaSignal and Buyer agree to use their best efforts to comply with any and all requirements imposed on sellers and buyers, respectively, under 42 U.S.C. § 1320a-7b(b)(3)(A) of the Anti-Kickback Statute and the "safe harbor" regulations regarding discounts or other reductions in price set forth in 42 C.F.R. § 1001.952(h). In this regard, Buyer may have an obligation to accurately disclose the net cost actually paid by Buyer for the Products covered by these Sales Terms in accordance with applicable state or federal cost reporting requirements.

SHIPPING AND TITLE TO PRODUCTS: Unless otherwise agreed, NovaSignal will be entitled to determine the method of shipment (including transport companies, dispatch route, packaging). Title and risk of loss shall pass to the Buyer upon delivery of the Products to the carrier.

SHIPMENT VERIFICATION: Any discrepancy in the quantity billed and the quantity received resulting from damage (concealed or otherwise), shortages, overages, or wrong Product, must be reported to NovaSignal Customer Care within 5 days of the date a shipment is received, and failure to give such notice shall constitute unqualified acceptance and a waiver of all such claims by Buyer. NovaSignal will not provide proof of shipment delivery after 90 days. If Products are received with damage to the exterior packaging, this damage must be noted on the carrier's bill. Claims for non-delivery must be reported to NovaSignal Customer Care within 10 days from the date of invoice, failing which, NovaSignal shall be under no liability for non-delivery.

EXPRESS LIMITED WARRANTY: NovaSignal shall extend to Buyer its published limited warranty ("Limited Warranty") for Products as the same may be modified by NovaSignal from time to time

INVENTIONS AND INFORMATION: The sale of the Products hereunder to Buyer shall in no way be deemed to confer upon Buyer any right, interest or license in any patents or patent applications, copyrights, trade secrets, or any other intellectual property NovaSignal may have covering the Products. NovaSignal retains for itself all proprietary rights in and to all designs, engineering details, software, algorithms, hardware, and other data and materials pertaining to any products supplied by NovaSignal and to all discoveries, inventions, patents, and other proprietary rights arising out of the work done by NovaSignal in connection with the Products or with any and all products developed by NovaSignal as a result thereof, including the sole right to manufacture any and all such products. Buyer warrants that it will not, and will not permit or assist any other person or entity to, divulge, disclose, or in any way distribute or make use of such information, and that it will not, and will not permit or assist any other person or entity to, reverse engineer, manufacture or engage to have manufactured such products.

RETURNS:

1. Only Products that are damaged or faulty are authorized for return.
2. All returns must have written authorization from NovaSignal Customer Care, 1-877-638-7251 ext. 3. This authorization is an estimate, pending inspection by NovaSignal of returned Products.
3. Credit will not be issued for Products returned without proper documentation.
4. Return Authorizations are valid for 30 days and Product must be received at designated NovaSignal location within 30 days from date of issue.
5. All returns are subject to NovaSignal inspection. NovaSignal reserves the right to destroy merchandise deemed unfit for sale, whether or not accepted for credit or exchange.
6. Returns must be shipped, prepaid to:

NovaSignal Corp.
2440 S. Sepulveda Blvd.
Suite 115
Los Angeles, CA 90064

TECHNICAL ASSISTANCE: Unless otherwise expressly agreed in writing by NovaSignal, NovaSignal assumes no obligation or liability for any technical advice provided by NovaSignal with respect to the use of Products furnished to Buyer, or for any results occurring as a result of the application of such advice. Buyer shall have sole responsibility for selection and specification of the Products appropriate for the end use of such Products.

INDEMNIFICATION: To the maximum extent allowed by law, Buyer shall defend and indemnify NovaSignal and its employees and agents against all sums, costs, liabilities, losses, obligations, suits, actions, damages, penalties, fines, interest and other expenses (including investigation expenses and attorneys' fees) that NovaSignal may incur or be obligated to pay as a result of: (a) Buyer's negligence, use, ownership, maintenance, transfer, transportation or disposal of the Products; (b) Buyer's violation or alleged violation of any federal, state, county or local laws or regulation, including without limitation, the laws and regulations governing product safety labeling, packaging and labor practices; (c) modification to or alteration of any Product sold hereunder; or (d) Buyer's breach of a Sales Contract, Order or these Sales Terms, provided that Buyer shall not indemnify NovaSignal for claims based on Product defects proven to have been caused solely by NovaSignal's negligence.

LIMITATION ON NOVASIGNAL'S LIABILITY: NEITHER NOVASIGNAL NOR ITS AFFILIATES SHALL HAVE ANY LIABILITY FOR SPECIAL, INCIDENTAL, CONSEQUENTIAL, INDIRECT, PUNITIVE OR EXEMPLARY DAMAGES FOR ANY REASON OR UNDER ANY THEORY OF LIABILITY WHATSOEVER, INCLUDING, WITHOUT LIMITATION, DAMAGES FOR LOSS OF BUSINESS, LOST PROFITS, BUSINESS INTERRUPTION, OR OTHER PECUNIARY LOSS, EVEN IF NOVASIGNAL OR ITS AFFILIATES HAVE BEEN APPRISED OF THE LIKELIHOOD OF SUCH DAMAGES OCCURRING. BUYER MAY NOT INSTITUTE ANY ACTION IN ANY FORM ARISING OUT OF ANY SALES CONTRACT, ORDER OR THESE SALES TERMS MORE THAN 12 MONTHS AFTER THE CAUSE OF ACTION HAS ARISEN. IN NO EVENT SHALL NOVASIGNAL'S LIABILITY UNDER ANY SALES CONTRACT OR ORDER EXCEED THE PURCHASE PRICE OF THE PRODUCTS GIVING RISE TO THE CLAIM.

FORCE MAJEURE: NovaSignal shall not be liable for any delay in or impairment of performance resulting in whole or in part from fire, floods or other catastrophes, acts of God, strikes, lockouts or labor disruption, wars, riots or embargo delays, government allocations or priorities, raw material market conditions, shortages of transportation equipment, fuel, labor or materials, inability to procure supplies or raw materials, severe weather conditions, or any other circumstance or cause beyond the reasonable control of NovaSignal (a "Force Majeure Event"). In the event of the occurrence of a Force Majeure event, NovaSignal shall have the right, but not the obligation, to allocate Product among its customers and potential customers in its sole discretion.

CANCELLATION: Orders cannot be canceled or modified by Buyer except with the express written consent of NovaSignal.

TERMINATION: NovaSignal may terminate any Order or any part thereof as allowed by these terms. Upon such termination, Buyer agrees to waive all claims for damages, including without limitation, any loss of anticipated profits, and to accept as its sole remedy for termination the reasonable incremental costs of obtaining substitute Products of the same quantity and quality, provided such incremental costs do not exceed the Order price. Any claim for adjustment not asserted within 90 days from the date of such termination shall be deemed to have been waived by Buyer.

SETOFF; DEDUCTIONS: In no event is Buyer authorized to deduct any amounts from the amounts owed NovaSignal unless specifically authorized in writing by NovaSignal.

ASSIGNMENT: No part of any Order may be assigned by Buyer without prior written approval of NovaSignal. NovaSignal will be entitled to cancel any Order upon written notice to Buyer in the event Buyer assigns or attempts to assign such Order without NovaSignal's prior written consent.

NO THIRD PARTY RIGHTS. Nothing in this Agreement shall be construed as creating or giving rise to any rights in third parties or persons other than the named parties to this Agreement.

NOTICES: All notices must be in writing and will be deemed given only when sent by first class mail (return receipt requested), hand-delivered or sent by documented overnight delivery service to the party to whom the notice is directed, at its address indicated in the applicable Order or Sales Contract or by written notice.

ENTIRE AGREEMENT: These Sales Terms, together with the Order, Sales Contract or Limited Warranty, if any, comprise the complete and final agreement between NovaSignal and Buyer, and supersede all prior negotiations, proposals, representations, commitments, understandings or agreements between NovaSignal and Buyer, either written or oral, on its subject. Any other representations or warranties made by any person, including employees or other agents of NovaSignal, that are inconsistent with these Sales Terms shall be disregarded by Buyer and are not binding upon NovaSignal.

MODIFICATIONS: No Order, Sales Contract nor these Sales Terms may be modified or amended except in writing signed by both NovaSignal and Buyer specifically referring to the applicable Order, Sales Contract and/or these Sales Terms. No sales representative or other agent or representative of Seller is authorized to modify or alter the Sales Terms. Failure of NovaSignal to object to handwritten additions or modifications hereof made by Buyer (or Buyer's agent), or to provisions of any Order or other communication from Buyer, shall not constitute amendment, alteration or modification of all or any portion of this Sales Contract.

WAIVER: NovaSignal's failure to insist on performance of any of the terms or conditions in these Sales Terms or to exercise any right or privilege, or NovaSignal's waiver of any breach of these Sales Terms shall not waive any other terms, conditions or privileges, whether of the same or similar type.

SEVERABILITY: If any clause or provision in these Sales Terms is determined to be invalid, the remaining provisions of these Sales Terms will remain in full force and effect.

CHOICE OF LAW AND VENUE: All Orders shall be governed by and interpreted in accordance with the laws of the State of California without giving effect to its choice of law provisions. The provisions of the United Nations Convention on Contracts for the International Sale of Goods shall not apply. Manufacture, shipment and delivery are subject to any prohibition, restriction, priority allocation regulation or condition imposed by or on behalf of the United States of America or any other governmental body with appropriate jurisdiction that may prevent or interfere with fulfillment of any Order. Litigation brought to contest disputes arising under any Order or these Sales Terms shall be brought only in the state or federal courts of the State of California sitting in Los Angeles County. Any action for breach of the Sales Contract, Order or Sales Terms must be commenced not later than one year from the date on which such action accrues or be forever barred. Each party shall comply with its obligations under federal, state or other applicable laws or regulations with respect to the performance of this contract.

SURVIVAL: The terms of a Sales Contract or Order and these Sales Terms that by their nature are reasonably intended by the parties to survive its expiration or earlier termination, survive such expiration or termination.

ATTORNEYS FEES: If either party commences an action against the other to interpret or enforce the Order or these Sales Terms or as a result of a breach by the other party of the Order or these Sales Terms, the prevailing party shall be entitled to recover from the non-prevailing party reasonable attorneys' fees, costs and expenses incurred by the prevailing party in connection with such action.

CUSTOMER SERVICE: All Orders are subject to these Sales Terms and to pricing confirmation, final acceptance and approval by NovaSignal's Customer Care Department by phone at 1-877-638-7251 ext. 3 or through NovaSignal's web store at www.novasignal.com. For convenience, Orders are also accepted via telefax at 1-877-638-7251.

REMITTANCE ADDRESS:

NovaSignal Corp.
2440 S. Sepulveda Blvd.
Suite 115
Los Angeles, CA 90064

Customer Service Department: Telephone: 1-877-638-7251 ext. 3