



## TERMS AND CONDITIONS

1. Paramount-EO Inc., its divisions and subsidiaries, successors and assigns (Seller) hereby gives notice of its objection to any different or additional terms and conditions. This offer to sell is expressly conditional on Buyer's assent to the terms and conditions on the front and back of this form and upon approval of Buyer's credit worthiness. If not previously given, Buyer's receipt of goods is conclusive as to this assent.  
  
Unless different or additional terms and conditions are stated or referred to in the Seller's proposal, in which event such different or additional terms and conditions shall be exclusive as to the particular subject covered, the terms and conditions stated below apply, and such terms and conditions supersede any prior or contemporaneous agreements or correspondence between the parties.
2. All offers to sell are made F.O.B. point of shipment, and each shipment or delivery shall be considered a separate and independent transaction. Buyer has risk of loss after delivery F.O.B. point.
3. Shipping dates given in advance of actual shipment are estimated and deliveries will be made subject to prior orders on file with Seller. Seller shall not be liable for failure to perform or delay in performance due to any cause beyond its reasonable control, or fire, flood, strike or other labor difficulty, act of God, act of governmental authority or of the Buyer, transportation difficulties, delays in usual sources of supply, and major changes in economic conditions. In the event of delay in performance due to any such cause, the date of delivery or shipment will be extended by a period of times reasonably necessary to overcome the effect of such delay.
4. a. **SELLER MAKES NO WARRANTIES (INCLUDING ANY WARRANTY AS TO MERCHANTABILITY OR FITNESS) EITHER EXPRESS OR IMPLIED WITH RESPECT TO THE PRODUCTS IT SELLS UNLESS ENDORSED BY SELLER IN WRITING. APPLICANT IS LIMITED TO THE WARRANTIES OF THE RESPECTIVE MANUFACTURER(S) OF THE PRODUCTS SOLD.**  
As respects Seller, such goods are sold with all faults, but Seller shall use its best reasonable efforts to obtain from the manufacturer, in accordance with such manufacturer's customary practices, the repair or replacement of any goods as may prove defective in workmanship or material. Seller hereby disclaims any and all warranties against patent infringement. Seller shall, however, if given prompt notice by the Buyer of any claim of patent infringement with respect to any goods sold hereunder, use its best efforts to secure for the Buyer such indemnity rights as the manufacturer may customarily give with respect to such goods  
  
b. **The foregoing warranties are exclusive and in lieu of all other warranties, whether statutory, expressed, or implied (including all warranties of merchantability and fitness for particular purpose and all warranties arising from course of dealing or usage of trade).**  
  
The remedies provided above are the Buyer's sole remedies for any failure of Seller to comply with its obligations. Correction of any nonconformity in the manner and for the period of time provided above shall constitute complete fulfillment of all the liabilities of Seller whether the claims of the Buyer are based in contract, in tort (including negligence or strict liability), or otherwise with respect to or arising out of the goods or service furnished hereunder.
5. If in Seller's judgment, the financial condition of the Buyer at any time does not justify the terms of payment specified, Seller reserves the right to require full payment in cash before order entry, manufacture, shipment or delivery.
6. This order may be cancelled by the Buyer only if agreed to by Seller and upon payment of reasonable charges based upon expenses already incurred and commitments made by Seller.
7. Title to all products delivered to Buyer shall remain in Seller until such time as the entire invoice price corresponding to such products is paid in full by Buyer. Buyer shall have no right, directly or indirectly, to permit any security interest, pledge, mortgage or any other lien or charge of any kind to be placed on the said products by any third party, or to use the same as security.
8. To the extent of amounts due and owing from time to time, Buyer hereby grants to Seller security interest in all goods sold by Seller to Buyer on credit terms, the proceeds of the resale thereof by Buyer and all accounts receivable of Buyer arising from the resale of such goods, and Buyer and Seller agree that the present Paragraph constitutes a Security Agreement. Upon Seller's request, Buyer will execute and file Financing Statements to perfect Seller's aforesaid security interest. Seller is nevertheless hereby authorized by Buyer to file UCC Financing Statements without Buyer's signature thereon to perfect security interests described herein.
9. Seller, its contractors, and suppliers of any tier shall not be liable in contract, in tort (including negligence or strict liability) or otherwise for damage or loss of other property or equipment, loss of profits or revenue, loss of use of equipment or power system, cost of capital, cost of purchased or replacement power or temporary equipment (including additional expenses incurred in using existing facilities), claims of customers of the Buyer, or for any special, indirect, incidental, or consequential damages whatsoever.  
  
The remedies of the Buyer set forth herein are exclusive and the total cumulative liability of Seller with respect to this contract, or anything done in connection therewith such as the performance or breach thereof, or from the manufacturer, sale, delivery, resale, or use of any goods covered by or furnished under this contract, whether in contract, or tort (including negligence or strict liability) or otherwise, shall not exceed the price of the goods or part on which such liability is based.
10. The prices shown do not include any sales, use, or other taxes or charges payable to state or local authorities. Any such taxes or charges hereafter imposed upon Seller with respect to sales or shipments hereunder will be added to such prices and the Buyer agrees to reimburse Seller for any such taxes or charges.
11. Payment is due upon delivery unless an approved credit account has been established in which case payment is due within 30 days from date of invoice. Cash discount for prompt payment of goods which bear cash discount will be allowed if paid within the offered cash discount period.
12. No sales representative of Seller has authority to alter, vary, or waive any of the standard terms and conditions herein.
13. Buyer agrees that any claim of any kind by Buyer based on or arising out of this contract or otherwise shall be barred unless asserted by Buyer by the commencement of an action within 12 months after the delivery of the products or other event, action, or inaction to which such claim relates. This provision shall survive any termination of this contract, however arising.
14. In the event Buyer defaults in payment, Buyer shall be liable for all collection costs incurred by Seller including, but not limited to, attorney and collection agency fees.
15. In the event Buyer does not pay when due, past due amounts are subject to service charges of 1 ½ percent per month or maximum permitted by law.
16. In the event of litigation pertaining to any matter covered by this contract, Buyer hereby agrees to waive any right that it may have to a jury trial or any or all issues that may be raised in such litigation.
17. It is the policy of Seller to provide equal employment opportunity and to adhere to Federal, state, and local laws pertaining thereto, if any.
18. Nothing contained herein shall be construed to limit or waive any rights of Seller under applicable Federal, state, or local laws.
19. In the event of transfer to a third party of any goods or interest therein, Buyer shall, at its option, either (i) obtain for Seller written assurance from transferee that Seller's and its subcontractor's and supplier's protection against liability following the transfer is the equal to that provided by this contract, or (ii) indemnify them against any liability they may incur in excess of that which they would have incurred and Buyer obtained the above assurance from the transferee.