

ACKNOWLEDGEMENT AND CONDITIONAL ACCEPTANCE

Our acceptance of your purchase order is subject to the following express conditions:

(A) that we are not responsible for incidental and/or consequential damages; (B) that we have no application engineering design responsibility; (C) that any warranty shall be limited to defects in workmanship and is for one (1) year from date of first shipment or 2100 hours running use, whichever is shorter, and is limited to repair or replacement of defective parts F.O.B. our factory; (D) that we have no obligation to name you as an additional insured; (E) that except for the right to repair, no license under our existing or pending patents or know-how is granted; (F) that any indemnity shall expire at the end of the warranty period above; and (G) that in the event of a conflict between your purchase order and our proposal, our proposal shall govern.