

BUSINESS TERMS & CONDITIONS

The following constitutes the terms and conditions under which Optimax Systems, Incorporated ("Optimax") will manufacture "Optical Products" for the "Customer."

Terms of Contract: The terms and conditions listed herein, together with the contents of Optimax's quotation and purchase order acknowledgment for optical products, constitute the entire agreement between Optimax and the Customer for such Optical Products. Optimax's agreement to sell the goods to Customer is conditional on Customer's agreement to these terms, and no additional or different terms stated in any purchase order or other form utilized by Customer shall become part of the contract for sale unless agreed to by Optimax in a writing signed by its authorized agent.

Applicable Law; Consent to Jurisdiction: This Agreement shall be governed, construed, and interpreted under the laws of the State of New York. Customer agrees that the courts of the State of New York shall have jurisdiction over Customer and any claims arising from this Agreement, with the exception of New York's conflict of law statutes.

Interpretation: This writing is intended by the parties as a final, complete, and exclusive statement of the terms of their agreement. No oral representations or agreements, course of prior dealing between the parties, or usage of trade shall be relevant to contradict the terms of this Agreement.

Authority of Seller's Agents: No affirmation, representation, or warranty concerning the goods made by an agent, employee, or representative of Optimax shall be binding on Optimax, unless the affirmation, representation, or warranty is approved in writing, by an authorized representative of Optimax.

Modifications: No modification, limitation, waiver, or discharge of this Agreement or any of its terms shall bind Optimax unless in writing and signed by Optimax's authorized agent.

Technical Support: Customer's Engineering and technical personnel may from time to time render assistance or give technical advice or discuss or effect an exchange of information with Optimax personnel concerning the work hereunder. Such actions and conversations shall not be deemed to be a formal "change" until written confirmation is received and acknowledged by the Optimax Sales Department.

Tools and Methods: Unless explicitly stated otherwise in the quotation, all tools and methods used in the assembly and manufacture of Optical Products shall be the sole and exclusive property of Optimax, whether or not the Customer has provided funding (NRE charges) for such tools and methods. Optimax reserves the right to invoice NRE charges upon receipt of order.

Customer Furnished Material: Optimax will make every effort to handle customer's material with the greatest possible care and to maximize the yield from the material, but assumes no financial liability for material damaged during processing.

Force Majeure: Optimax shall have no liability for non-performance caused by (a) acts of God, (b) acts of war, (c) civil disorder, (d) labor strife, (e) governmental orders, rules, or regulations, (f) materials shortages, (g) shipping delays, or (h) other causes of delay beyond Optimax's control. In such an event, the time allotted for delivery shall be extended for a period of time equal to the time lost on account of any of the foregoing.

On-Time Delivery Guarantee: In the event of a late delivery, for an "On-Time Delivery Guaranteed" order, Optimax will offer a credit for the unearned portion of the expediting premium. Ship dates for orders received after 12:00 Noon (EST) will be calculated beginning the next full business day.

Limited Warranty: Optimax warrants, to the Customer only, that the Optical Products will pass without objection in the trade under the contract description, specification and are fit for the ordinary purpose or use. Optimax's obligation under the contract is limited to repairing, replacing or crediting, at Optimax's option, the Optical Products determined by Optimax to be defective. Replacement parts shall be shipped under the same terms, conditions and charges as an original shipment. Optimax shall be under no obligation to repair any Optical Product which has been subjected to improper treatment, operation, maintenance, storage, accident, alteration or abuse. **THIS EXPRESS LIMITED WARRANTY IS IN LIEU OF AND EXCLUDES ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING THE WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.**

Duties and Taxes: Unless otherwise specified in the Quotation, all prices are exclusive of duties and taxes imposed on the Customer by any governmental agency local to it.

Claims and Returns: In the event that the Customer claims that any Optical Products do not conform to specifications and Optimax accepts such a claim, Optimax will either repair or replace such non-conforming Optical Products or shall credit the Customer's account for the value of same. In any case, any such Customer claim shall be made within 30 days of delivery.

Overage: If the Customer elects to receive a quantity of Optical Products in excess of the contracted amount, the Customer will pay Optimax an additional sum equal to the proportionate amount of such excess Optical Product.

Payment: Unless otherwise specified in the Quotation, all Customer payments due to Optimax shall be net 30 days from the date of invoice. Payments that are past due will be assessed a late fee of 2% per month. Customer shall be responsible for all disbursements and costs, including attorney's fees incurred by Optimax in the course of collecting past due payments. Optimax reserves the right to impose a credit limit on customer accounts.

Reschedule / Cancellation: In the event of a delivery reschedule, inventory charges of 2% per month may apply. In the event of cancellation of any contract, the Customer shall immediately pay all outstanding invoices and the Customer further agrees to pay for all work in progress as of the date of

any such notification. In addition, the Customer will reimburse Optimax for any un-recovered expenses incurred by Optimax specifically for Customer contract fulfillment.

Indemnification: Customer agrees to defend & indemnify Optimax for any and all damages and expense (arising out of the use, storage, sale, processing, or other disposition of the goods sold hereunder, or the action or inaction of Customer or its employees, customers, or agents which may cause injuries or damage giving rise to claims against Optimax. Customer shall defend & indemnify Optimax against any loss or liability, resulting from an alleged infringement of any patent when the claim arises out of goods manufactured to specifications provided by Customer, or where the alleged infringement arises out of Customer's use of the goods or incorporation of the goods into any product. Optimax shall indemnify Customer against any loss or liability in the event any goods designed by Optimax infringe any patent, provided, however, that Optimax's liability shall be limited to the refunding of the purchase price paid by Customer for the product.

Limitation of Liability: Optimax shall have no liability whatsoever beyond the price paid by the Customer for Optical Products for any defective goods. In no event will Optimax be liable for loss of profits, direct or indirect, or special or consequential damages arising from the sale of any defective goods.

Confidentiality: Customer agrees not to disclose Optimax's confidential business information and/or trade secrets to any entity or person, nor to use such information for its own benefit, whether during or subsequent to the buying and selling relationship of Customer and Optimax and for a period of three (3) years from and after such relationship ceases. As used herein, confidential business information includes, but is not limited to, information disclosed during the course of doing business, including: the identity of or other pertinent information with respect to actual or potential customers or customer contacts; bidding and pricing strategies; market studies, penetration data, or other market information; research and development activities, information and plans; technical, proprietary and know-how information; plans for new products; methods, practices, procedures, processes and formulas with respect to manufacture, assembly, design, or processing; sources of supply for products, components, and services; and any other secret processes, formulas, or methods. Confidential information does not include information which Customer can demonstrate was available to it on non-confidential basis prior to its disclosure to Customer by Optimax or its representative; was independently developed by Customer or is or becomes known to the public other than by act of Customer or Customer's representative subsequent to disclosure thereof to Customer by Optimax, or became available to Customer on a non-confidential basis from a source other than Optimax or its representatives, provided that such source is not known by Customer after due inquiry to be bound by a confidentiality agreement with Optimax or its representatives, or is otherwise prohibited from transmitting the information to recipient by contractual, legal, or fiduciary obligation.

Equal Opportunity: Optimax provides equal employment opportunities (EEO) to all employees and applicants for employment without regard to race, color, religion, gender, sexual orientation, national origin, age, disability, marital status, or status as a covered veteran in accordance with applicable federal, state and local laws. This policy applies to all terms and conditions of employment, including, but not limited to, hiring, placement, promotion, termination, layoff, recall, transfer, leaves of absence, compensation, and training.

Prohibited conduct: Optimax expressly prohibits any form of unlawful employee harassment based on race, color, religion, gender, sexual orientation, national origin, age, disability, or veteran status. Improper interference with the ability of Optimax's employees to perform their expected job duties is absolutely not tolerated.

Severability: These terms and conditions shall be deemed severable. In the event that any provision is determined to be unenforceable or invalid, such provision shall nonetheless be enforced to the fullest extent permitted by applicable law, and such determination shall not affect the validity and enforceability of any other remaining provisions.

Waiver: The failure of either party to insist upon or enforce strict performance by the other party of any provision of these Terms and Conditions shall not be construed as a waiver of any provision or right. Neither the course of conduct between the Customer and Optimax nor any trade practice shall modify any provision of these Terms and Conditions.