



INTEGRA TECHNOLOGIES INC TERMS AND CONDITIONS OF SALE:

The following sets forth the terms and conditions of sale of products and/or services of Integra Technologies Inc. (INTEGRA) as of the date set forth above. Customer acknowledges that these terms and conditions are subject to change from time to time, and such changes shall be effective and binding against Customer upon written notice thereof from INTEGRA.

1. ACCEPTANCE

No Customer work order for INTEGRA products or services shall be binding upon INTEGRA until accepted in writing by an authorized INTEGRA representative. Customer shall be deemed to have agreed to all terms and conditions of sale provided herein and to any special terms and conditions contained in the price quotation/sales order attached hereto (Order) or other writing signed by an authorized INTEGRA representative (collectively, the Agreement).

2. CANCELLATION AND HOLDS

(a) Customer shall advise INTEGRA of cancellation (whether in whole or in part) of the Order in writing. Upon receipt of Customer's written notification of cancellation, INTEGRA will arrange to stop all work on the products and/or services cancelled as promptly as reasonably possible. The parties agree that INTEGRA, in its sole discretion, is entitled to the full price of the Agreement for the products and/or services cancelled (Liquidated Damages). The parties further agree that these Liquidated Damages represent a reasonable estimate of the loss and damages that will be suffered by INTEGRA under the circumstances existing at the time the Agreement is entered into. (b) An order that is partially processed and put on hold by the Customer for more than 14 calendar days shall be invoiced at the full price and may be returned to the customer. Environmental chambers may be reserved for a maximum of 24 hours between intermediate read points for a qualification lot. After this duration, the chamber will be considered available for other use. (c) The Customer must notify INTEGRA in writing of changes or cancellations to test equipment rental reservations Monday through Friday during the hours of 8am to 5pm PST at least 24 hours (disregarding weekends or public holidays) in advance of the original reservation. Reservations not cancelled in accordance with the above will be billed at the full price of the charges applicable on the original reservation.

3. QUOTATIONS AND PRICING

The prices stated in the Order attached to these terms and conditions of sale shall be firm for 30 days from the date of the Order. The Order is not assignable by Customer without the prior written consent of INTEGRA.

4. CHANGE IN SCOPE

No changes to the scope of any services or products provided under this Agreement are permitted unless agreed to in advance by INTEGRA in writing. Customer may suspend or stop the services or manufacture of products under this Agreement by giving a written directive, but once work has been suspended, INTEGRA is not required to resume the provision of the services or products until the parties agree to a change in scope, schedule, and/or compensation. In the event Customer suspends or stops work under this Agreement, or the parties cannot agree on changes to the scope of services or products (as mentioned above) within five business days, Customer shall be required to compensate INTEGRA in accordance with paragraph 2.

5. PAYMENT

Payments shall be in U.S. dollars. Payment terms include Cash at Time of Order, C.O.D., Visa, MasterCard, American Express, or wire transfer unless and until INTEGRA has approved the Customer for credit terms. Credit card purchases will include a 3% handling fee. If and when INTEGRA extends credit terms to Customer, all invoices shall be payable in full within thirty (30) days of the date of the shipment, unless otherwise approved by INTEGRA and specified in the Purchase Order. All payments not made when due shall be subject to a late charge of 1.5% per month. Buyer shall advise INTEGRA's billing department immediately of any discrepancies in regard to any invoice. Buyer agrees that all line items not in question or dispute shall be paid within the prescribed payment term.

6. SHIPPING AND RISK OF LOSS; SECURITY INTEREST

(a) Delivery and Shipping. Unless otherwise specified, all products are sold F.O.B INTEGRA's facility and accordingly, all risk of loss or damage in-transit shall pass to Customer. Customer is responsible for all transportation, delivery, and insurance costs incurred in connection with the delivery of the products to the designated site. In the event that Customer fails to supply INTEGRA with shipping instructions in a timely manner, INTEGRA shall have the right to arrange for shipment in any reasonable manner. The shipping schedule shall be computed from the date INTEGRA receives Customer's order for products and/or services with full instructions, samples, materials and such other information or items as INTEGRA may need in order to proceed with the design, assembly, manufacture, and/or test of the products ordered. Customer's receipt of products and/or services shall constitute a waiver of any claim for delay. In the event that INTEGRA commences services before the receipt of a valid Purchase Order from Customer, INTEGRA reserves the right to hold shipment of Customer parts until a valid Purchase Order is received. (b) Returns. No product shall be returned without authorization and shipping instructions first being obtained from INTEGRA. All freight forwarding, transportation or any other shipping costs and custom clearance charges shall be paid by the Customer. (c) For custom-ordered goods and materials purchased for use in the assembly process, title transfers to the Customer upon placement in the Customer-Consigned Inventory location, or upon commencement of assembly services, whichever is first. (d) If the Customer chooses to leave consigned parts at INTEGRA after completion of services for pick up at a later date, title on any attached INTEGRA-owned materials will be deemed to have transferred to the Customer upon notice that the goods are available at the INTEGRA shipping dock and the Customer assumes risk of loss while left at the INTEGRA facility.

7. COMPLETION OF SERVICES

Upon completion of requested services in accordance with Customer specifications, INTEGRA's contractual obligations shall be considered completed and considered accepted by the Customer. If the Customer chooses to leave consigned parts at INTEGRA after completion of services for pick up at a later date, INTEGRA may proceed to invoice the customer for the services rendered upon notifying Customer of completion. For rental of tester time by Customer personnel or other services whereby consigned parts are not shipped from INTEGRA's facility, the Customer's signature on the tester rental timesheet or e-mail confirmation shall indicate completion and acceptance of services rendered.

8. TAXES AND OTHER CHARGES

Customer shall pay any use tax, sales tax, excise tax, duty, custom inspection or testing fee, or other tax, fee or charge of any nature whatsoever, (other than taxes based on INTEGRA s net income) imposed by any governmental authority, on or measured by any transaction between INTEGRA and Customer.

9. OWNERSHIP OF WORK PRODUCT/LICENSE

For purposes of this Agreement, "Work Product" shall include, without limitation, all designs, discoveries, creations, works, devices, methods, models, inventions, products, computer programs, procedures, improvements, developments, drawings, notes, documents, manufacturing and business processes, information and materials selection, conceived or developed by INTEGRA, whether alone or with others, which result directly or indirectly from the products and/or services sold hereunder. All Work Product shall at all times be and remain the sole and exclusive property of INTEGRA. All test software and test hardware IP and work product will remain the property of INTEGRA. If customers' consign test software and hardware, ownership of consigned software and hardware will remain with customer.

10. TEST FAILURE VERIFICATION

For projects that include electrical test, basic electrical failure verification is included in this pricing proposal. Basic electrical verification includes the effort necessary for INTEGRA to assure itself that failing devices are truly failures and were not caused by items including but not limited to improper load board seating, socket wear out or handler misalignment. It does not include any effort to determine the root cause failure of a device, characterization work or any other analysis not required to verify that failing devices are valid failures. Electrical and/or physical analysis for root cause failure determination is available, but will require a separate quotation. Electrical failure analysis will be charged by the hour. Any physical failure analysis work will be quoted on a line item basis as required

11. HARDWARE

Costs for customer specific hardware (e.g. test loadboards, probe cards, sockets, burn-in boards, etc.) that require replacement or rework due to normal production usage will be charged to the Customer. Replacement costs include labor for rework, material costs, ordering and shipping and handling.

12. PATENTS

INTEGRA assumes no obligations or liability of any kind with respect to claims of infringement of United States or foreign patents, copyrights, trademarks or other proprietary rights arising out of or relating to the Buyer s purchase, importation, use, possession, sale, or delivery of any product or services provided to Buyer by Integra, and the Buyer shall indemnify, defend and hold Integra harmless from any and all such claims and liabilities, damages and expenses

13. CONFIDENTIALITY; NONDISCLOSURE

Customer acknowledges that the Work Product provided to it by INTEGRA is INTEGRA S proprietary information and is valuable and not otherwise obtainable from other sources and shall not be copied without INTEGRA S written permission. Customer agrees to exercise due diligence to protect and preserve in confidence the Work Product and other confidential information which INTEGRA designates as such.

14. WARRANTY

INTEGRA warrants that the assembly and/or manufacturing services performed for Customer shall conform to the specifications set forth in Customer s specifications and/or INTEGRA specifications. When INTEGRA specifications differ from Customer specifications, INTEGRA specifications shall prevail. INTEGRA warrants products of its manufacture to be free from defects in material and workmanship for a period of (30) days from the date of shipment. INTEGRA warrants its workmanship of repair for thirty (30) days from the date of repair. INTEGRA s sole and exclusive obligation under these warranty provisions shall be, at its sole option, to repair or rework the defective products, reprocess any new products supplied by Customer, or provide Customer with an appropriate credit adjustment not to exceed the amount of the Customer s order; provided, that: (i) Customer reports the defect to INTEGRA in writing and provides a description of the defect and complete information about the manner of its discovery within the thirty (30) day warranty period; (ii) INTEGRA has the opportunity to investigate the reported defect and determines that the defect arises from faulty material supplied by INTEGRA, parts or workmanship and not from negligence, misuse, improper installation or operation, accident or unauthorized repair or alteration; and (iii) if deemed appropriate by INTEGRA, Customer returns the affected product, component or part to a location designated by INTEGRA, at the expense of Customer. Failure of Customer to give notice within the thirty (30) day warranty period shall be conclusive evidence of due fulfillment of the warranty on the part of INTEGRA, and INTEGRA shall be released from all liability under this warranty. No product shall be returned to INTEGRA without authorization and shipping instructions from INTEGRA. The warranties set forth herein shall be void if: (A) Customer violated its duties under the clauses of these terms and conditions of sale; or (B) Customer directly or indirectly sells, leases or transfers the products to a third party without INTEGRA s prior written consent.

THE WARRANTIES SET FORTH ABOVE ARE EXCLUSIVE AND ARE IN LIEU OF ALL OTHER EXPRESS OR IMPLIED WARRANTIES, INCLUDING WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR WARRANTIES ARISING FROM A COURSE OF DEALING OR USAGE OF TRADE.

Customers are obligated to pay INTEGRA for services rendered in accordance with the agreed-upon payment terms, and INTEGRA provided service is the exclusive remedy of Customer for product defects or any other claim of liability in connection with the purchase or use of INTEGRA products and/or services.

15. REMEDIES

In addition to INTEGRA s remedies as stated in paragraphs 2 and 4 above, and in addition to other available remedies, INTEGRA shall have the following remedies: In the event Customer fails to make any payment when due, INTEGRA shall be entitled to: (i) offset the overdue amount against any other funds of Customer in INTEGRA s custody; (ii) terminate INTEGRA s obligations under these terms and conditions of sale and treat the Agreement as if cancelled by Customer, in which case Customer shall be liable for any amount payable pursuant to paragraph 2 above; (iii) delay manufacture or delivery of all or part of the products and/or delay performance of the related services sold to Customer under this or any other agreement between Customer and INTEGRA; and/or (iv) recover or require Customer to return forthwith, at Customer s expense (including proper insurance with respect thereto), all products and other materials which INTEGRA provided to Customer and with respect to which Customer failed to make timely payment. INTEGRA reserves the right to assign any overdue amount to a third party collection agency. Customer will be responsible for all collection expenses.

If INTEGRA at any time and in its sole discretion determines that Customer s financial condition or conduct jeopardizes INTEGRA s right to payment, INTEGRA may require payment in advance of shipping all or part of the products or performing related services pursuant to these terms and conditions of sale. INTEGRA shall have the right to obtain an injunction against unauthorized copying or use of INTEGRA Work Product or designated confidential information in violation of paragraphs 9 or 13 above.

16. LIMITATION OF LIABILITY

In addition to the limitations of INTEGRA s liability set forth in paragraph 14 above and to any other limitations on INTEGRA s liability under this Agreement, INTEGRA s total liability to Customer for any and all causes of action, regardless of form, shall not exceed the aggregate purchase price of the products and services sold to Customer as stated in the Order herein attached and in other applicable conditions of sale signed by an authorized INTEGRA representative.

Except as herein provided, INTEGRA shall not in any event have obligations or liabilities to the Customer or any other party for any expense, injury, loss, damage, loss of profits, loss of use, loss of information, increased costs of operation, delay, or direct, incidental, special or consequential damages, whether based on contract, tort (including negligence), strict liability, or any other theory or form of action, even if INTEGRA has been advised of the possibility thereof, arising out of or in connection with the assembly, manufacture, sale, delivery, use, repair or performance of the INTEGRA products or services or any failure or delay in connection with any of the foregoing or for breach of any warranty set forth herein. The provisions of this section shall survive any termination of these terms and conditions of sale.

17. FORCE MAJEURE

INTEGRA shall not be held responsible or liable for any loss or damage resulting from a delay in the delivery of the products or any failure to perform its obligations to Customer if the causes of such delay or failure are attributable to Acts of God, governmental authority, or Customer, or due to strikes, embargoes, supply shortages or other causes beyond the reasonable control of INTEGRA. In the event any delay occurs because of these causes, the date of delivery shall be extended by at least the period of time attributable to the delay.

18. INDEMNIFICATION

Customer shall defend, indemnify and hold INTEGRA harmless from any and all liability, claims, losses, damages, costs and expenses (including settlement costs , reasonable attorney s fees and costs) arising from Customer s breach of these terms and conditions of sale, including Customer s duties as described in paragraph 13 above. Customer shall also defend, indemnify, and hold INTEGRA harmless from all third party liability for any product manufactured by INTEGRA when product is manufactured to Customer specifications. Customer shall also defend indemnify and hold INTEGRA harmless in contract, tort or for copyright, trademark, patent, trade secret, trade dress or other intellectual property infringement for any products furnished and manufactured by INTEGRA in accordance with designs and/or specifications proposed by Customer. If any lawsuit or arbitration, whether an action at law or in equity is commenced between INTEGRA and Customer, the prevailing party as determined by the Court or arbitrator shall be entitled to recover its reasonable attorneys fees and costs in addition to any other relief to which such party may be entitled.

19. CONSIGNED MATERIALS

Customer shall bear all risk of loss, at all times, on all consigned materials (including die and wafers), tooling and equipment shipped into INTEGRA s facilities. The Customer will be responsible for maintaining appropriate insurance coverage for all such consigned materials, tooling and equipment while in-transit and in-house. A lot is defined as a group of parts/devices, received at INTEGRA at the same time, which are to be kept separate from other parts/devices to protect identification integrity. Each lot received will be kept separate and charged separate unless otherwise specifically agreed upon between INTEGRA and the Customer. In the event that the Customer instructs INTEGRA to combine the processing of multiple lots, INTEGRA will not be held liable for any undesirable mixing of lots.

20. GOVERNING LAW: ARBITRATION

Governing Law. INTEGRA s quotation and these terms and conditions shall be governed by the laws of the State of Kansas, U.S.A., without regard to that state s law relating to conflicts of law. The United Nations Convention on the International Sale of Goods shall not apply to this quotation or any transactions contemplated hereby.

Arbitration of Disputes

Any controversy, dispute or claim arising out of, in connection with, or in relation to the interpretation, performance or breach of this quotation, including any claim based on contract, tort or statute, shall be settled, at the request of any Party, by arbitration conducted in Wichita, Kansas, or such other location upon which the Parties may mutually agree, before and in accordance with the then-existing Rules of Commercial Arbitration of the American Arbitration Association ("AAA"), except that for controversies, disputes or claims between Integra and a foreign corporation, the then-existing International Arbitration Rules of the AAA shall govern, and judgment upon any award rendered by the arbitrator may be entered by any state or federal court having jurisdiction thereof.

The Parties hereby consent to the jurisdiction of an arbitration panel and of the courts located in, and venue in, Wichita, Kansas, with respect to any dispute arising under this Quotation. Any controversy concerning whether a dispute is an arbitrable dispute hereunder shall be determined by one or more arbitrators selected in accordance with this provision. The Parties intended that this agreement to arbitrate be valid, specifically enforceable and irrevocable.

Initiation of Arbitration

A Party may initiate arbitration hereunder by filing a written demand for arbitration with the other Party to the dispute and with the American Arbitration Association ("AAA"). Arbitration hereunder shall be conducted in a timely, expedited manner.

Selection of Arbitrator

Any arbitration shall be held before a single arbitrator, who shall be selected in accordance with the procedures of the American Arbitration Association ("AAA"), and shall be a member of the Large Complex Case Panel with significant intellectual property (patent and copyright) law and semiconductor manufacturing experience. If the Parties are unable to agree on a single arbitrator, then each of the Parties shall select an arbitrator and such arbitrators shall select a third arbitrator. The arbitration shall then be held before the panel of three arbitrators.

Awards

The arbitrator(s) may, in its discretion, award to the prevailing Party in any arbitration proceeding commenced hereunder, and the court shall include in its judgment for the prevailing Party in any claim arising hereunder, the prevailing Party's costs and expenses (including expert witness expenses and reasonable attorneys' fees) of investigating, preparing and presenting such arbitration claim or cause of action.

21. MISCELLANEOUS

Assignment

These terms and conditions of sale shall inure to the benefit of and shall be binding upon the heirs, successors, and assigns of the parties hereto. Customer shall not assign its duties and obligations hereunder without INTEGRA's prior written consent.

Waiver

No waiver by INTEGRA of any breach of the terms and conditions hereof by Customer shall be effective unless made in writing. Failure of INTEGRA to object to provisions contained in any purchase order or other communication from Customer (including but not limited to penalty clauses) shall not be construed as acceptance of those provisions or as a waiver of these terms and conditions of sale.

Integration and Merger

These terms and conditions of sale, as well as the attached Order, and any special conditions of sale contained in a writing signed by an authorized INTEGRA representative, are the complete and exclusive statement of the terms of the Agreement between Customer and INTEGRA. All prior proposals, negotiations and representations, if any, pertaining to this transaction are merged into these terms and conditions of sale. Except as stated herein, no other terms, conditions, agreements or understandings, in any way modifying or adding to these terms and conditions of sale whether contained in Customer's work order or form of acceptance or elsewhere, shall be binding on INTEGRA. INTEGRA OBJECTS TO ANY DIFFERENT OR ADDITIONAL TERMS

Severability

If any provision of this Agreement is held to be invalid or unenforceable by an arbitrator or court, such invalidity or unenforceability shall attach only to such term or condition. The validity of the remaining terms and conditions shall not be affected thereby.